

**KENTUCKY HORSE RACING COMMISSION**

**February 19, 2019**

**AGENDA**

**Location:** Central Kentucky Riding for Hope  
Conference Room  
4185 Walt Robertson Dr  
Lexington, KY 40511

**Time:** 1:30 pm

**I. Call to Order and Roll Call**

**II. New Business**

1. Minutes from October 30, 2018; November 16, 2018 and December 11, 2018
2. Keeneland's 2019 Spring Meet KTDF Purse Structure
3. Churchill Downs' 2019 Spring Meet KTDF Purse Structure
4. The Red Mile Request for Earlier Post Time September 15, 2019 and September 26-28, 2019
5. Keeneland's Proposed Backside Improvement Request
6. Churchill Downs' Proposed Backside Improvement Requests (4)
7. KHBIF Period V: Request to Update 2018 Verified Numbers and Applications for Participation in 2019
8. Approval Request of Operational Hours Amendment at Derby City Gaming
9. Approval Request of Operational Hours Amendment at Kentucky Downs
10. Keeneland / Red Mile Request to Offer PariMAX Historical Horse Racing Pari-Mutuel Wagering Pools Version 3.14
11. Ratification of Ainsworth Game Technology Historical Horse Racing Wager Updates
12. Consideration of Funding Research Proposal: Transcriptomics for the Detection of EPO Micro Dosing
13. Consideration of Funding Levamisole Administration Study
14. Presentation: Historical Horse Racing Facility Update – Turfway Park
15. Keeneland's Proposed 2019 Spring Race Meet Officials & Date Preference System
16. Churchill Downs' Proposed 2019 Spring Race Meet Officials and Date Preference System
17. Consideration of Kentucky Racing Acquisition, LLC's Proposed Purchase of Kentucky Downs Racetrack and Application for a License to Conduct Horse Racing, Simulcasting, and Pari-mutuel Wagering
18. Reports
  - a. Thoroughbred Rulings
  - b. Standardbred Rulings
  - c. Veterinary Division
  - d. Pari-Mutuel Wagering Division

**V. Adjournment**

## KENTUCKY HORSE RACING COMMISSION

### MINUTES OF THE SPECIAL MEETING

Date: October 30, 2018 at 1:30 PM

Place: The Central Kentucky Riding for Hope Center, 4158 Walt Robertson Drive, Lexington, KY 40511

Members Present: Chairman Franklin S. Kling, Jr.; Vice-Chairman Mark Simendinger; Commissioner James Gatewood Bell, Jr.; Commissioner Larry Bisig; Commissioner Stuart E. Brown, II, DVM; Commissioner Kerry Cauthen; Commissioner Pat Day; Commissioner Douglas A. Hendrickson; Commissioner Gerald W. Holt; Commissioner Lesley Ann May Howard; Commissioner Kenneth Jackson; Commissioner Brereton C. Jones, Jr.; Commissioner Foster Northrop, DVM; and Commissioner J. David Richardson, M.D.

Ex-officio Members Present: Leigh Powers, by proxy and on behalf of Secretary Don Parkinson, Tourism, Arts & Heritage Cabinet; Jessica Burke, by proxy and on behalf of Secretary Terry Gill, Cabinet for Economic Development; and Acting Secretary K. Gail Russell, Public Protection Cabinet

KHRC Staff Participating/Present: Marc A. Guilfoil, Executive Director; Jamie Eads, Deputy Executive Director and Director of Division of Incentives and Development; John L. Forgy, General Counsel; Shawn D. Chapman, Deputy General Counsel; Steve May, Director of Pari-Mutuel Wagering and Compliance

Others Participating: Kevin Flanery, President, Churchill Downs Racetrack, and Senior Vice President, Churchill Downs Incorporated; Vince Gabbert, Vice President and Chief Operating Officer, Keeneland Association, Inc., on behalf of WKY Development; Matt Knipp, Vice President Development, Caesar's Entertainment Corporation; Dan Real, Regional President-South, Caesars Entertainment Corporation; Rick Moore, Vice President and General Manager, Hoosier Park Race Course; David Wolkoff, Vice President of Strategic Finance, Caesars Entertainment Corporation; Tom Aronson, President, Racing Resource Group; Corey Johnsen, Jay Ingle, Jackson Kelly PLLC;

<b>AGENDA ITEM</b>	<b>TRANSCRIPT PAGE NUMBER(S)</b>	<b>DISCUSSION / CONCLUSIONS / RECOMMENDATIONS</b>	<b>ACTION TAKEN</b>
<b>I. Call to Order and Roll Call</b>	4 – 5	Meeting called to order. Roll call was performed by Chairman Kling. A quorum was recognized.	No action taken.
<b>II. New Business</b> <b>Tab A Consideration of</b> <b>applications for an initial license</b> <b>to conduct live horse racing,</b>	5 – 217 5 – 8	Chairman Kling provided the Commissioners with a background summary regarding the 3 initial applications for a license to conduct live horse racing, simulcasting, and pari-mutuel wagering submitted by WKY Development, LLC, Players Bluegrass Downs, LLC and	

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simulcasting and pari-mutuel wagering.		Kentucky Downs, LLC. He noted that all 3 applicants would make a presentation and answer questions. He further explained the process and conditions under which the presentations would be conducted.	
	8 – 69	Mr. Flanery and Mr. Gabbert presented on behalf of WKY Development as outlined in the agenda materials.	
	69 – 142	Mr. Real and Mr. Knipp presented on behalf of Ceasars Entertainment as outlined in the agenda materials.	
	142 – 187	Mr. Johnsen, Mr. Aronson and Mr. Ingle presented on behalf of Kentucky Downs LLC as outlined in the agenda materials.	
	188 – 189	<p>Mr. Forgy noted that by letter dated October 26, 2018 from Jackson Kelly PLLC (Jackson Kelly), counsel for Kentucky Downs, LLC, a full due process hearing was requested and that that request was denied. He stated another letter was received dated October 29, 2018 setting out objections to various aspects of this proceeding. Additionally, an amendment to Kentucky Downs and the Kentucky Harness Horsemen’s Association’s agreement was also received. He recommended that that these submission be allowed to be entered in the record.</p> <p>Mr. Forgy further noted that a third letter dated October 29, 2018 was received from Jackson Kelly addressing various issues related to the historical horse racing system currently in place at Churchill Downs/Derby City facility. He recommended that that letter be excluded from the record as it was not relevant to this meeting’s agenda matters.</p>	

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	189 – 217	<p>Chairman Kling then requested a motion to address the request submitted by KHRC staff to approve the applicants' proposed race and simulcast dates conditioned upon being issued a license to conduct horse racing in 2019 and upon compliance with all applicable statutes and regulations. Motion by Commissioner Richardson. Second by Commissioner Northrop.</p> <p>Chairman Kling then requested a motion to defer a vote to issue a license to one of the applicants to a future date on or before November 20, 2018. Motion by Commissioner Hendrickson. Second by Commissioner Richardson.</p> <p>Vice-Chairman Simendinger then asked to make a motion to defer a decision on selecting a license until a later date. Second by Commissioner Day.</p> <p>Chairman Kling then requested a motion with respect to dates for a meeting at which to consider whether to issue a license. Commissioner Jones made a motion to have a meeting within 30 days to consider whether to issue a license. Second by Commissioner Day.</p>	<p>Chairman Kling called for a vote to approve the 3 applications contingent on the conditions as discussed. Motion carried with no objections or abstentions.</p> <p>Before Chairman Kling announced the motion carried, Commissioner Hendrickson withdrew his motion.</p> <p>Motion carried as announced by Chairman Kling, with no abstentions.</p> <p>Motion carried, with no abstentions. Vice-Chairman Simendinger and Commissioners Bisig, Brown and Northrop objecting.</p>



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<b>III. Adjournment</b>	217	Motion to adjourn by Commissioner Cauthen. There was no second of the motion.	No vote was taken on the motion. Meeting adjourned.

**NOTE:** The Agenda materials and any amendments and/or supplements thereto, subject to any applicable exemptions, and the official Transcript are incorporated by reference as if set forth fully herein.

## KENTUCKY HORSE RACING COMMISSION

### MINUTES OF THE SPECIAL MEETING

Date: November 16, 2018 at 1:30 PM

Place: The Central Kentucky Riding for Hope Center, 4158 Walt Robertson Drive, Lexington, KY 40511

Members Present: Chairman Franklin S. Kling, Jr.; Vice-Chairman Mark Simendinger; Commissioner James Gatewood Bell, Jr.; Commissioner Larry Bisig; Commissioner Stuart E. Brown, II, DVM; Commissioner Kerry Cauthen; Commissioner Kiki Courtelis; Commissioner Pat Day; Commissioner Douglas A. Hendrickson; Commissioner Lesley Ann May Howard; Commissioner Kenneth Jackson; Commissioner Brereton C. Jones, Jr.; Commissioner Foster Northrop, DVM; and Commissioner J. David Richardson, M.D.

Ex-officio Members Present: Secretary Don Parkinson, Tourism, Arts & Heritage Cabinet; Jessica Burke, by proxy and on behalf of Secretary Terry Gill, Cabinet for Economic Development; and Acting Secretary K. Gail Russell, Public Protection Cabinet

KHRC Staff Participating/Present: Marc A. Guilfoil, Executive Director; Jamie Eads, Deputy Executive Director and Director of Division of Incentives and Development; John L. Forgey, General Counsel; Shawn D. Chapman, Deputy General Counsel; Steve May, Director of Pari-Mutuel Wagering and Compliance

Others Participating: Kevin Flanery, President, Churchill Downs Racetrack, and Senior Vice President, Churchill Downs Incorporated and Vince Gabbert, Vice President and Chief Operating Officer, Keeneland Association, Inc., on behalf of WKY Development; Matt Knipp, Vice President Development, Caesar's Entertainment Corporation, and Dan Real, Regional President-South, Caesars Entertainment Corporation, on behalf of Players Bluegrass Downs; and Corey Johnsen, President, Kentucky Downs, on behalf of Kentucky Downs Partners, LLC, and Ronald Winchell, Manager, and Marc Falcone, Managing Member, on behalf of Kentucky Racing Acquisition, LLC

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<b>I. Call to Order and Roll Call</b>	3 – 4	Meeting called to order. Roll call was performed by Chairman Kling. A quorum was recognized.	No action taken.
<b>II. New Business</b> <b>A. Consideration of applications for an initial license to conduct live horse racing,</b>	4 – 89 5 – 6	Chairman Kling explained the parliamentary procedures under which the follow-up presentations of the three (3) pending applications for an additional license to conduct live horse racing, simulcasting, and pari-mutuel wagering would be conducted.	Chairman Kling called for a vote on the motion as made by Commissioner Jackson and read by Mr.

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simulcasting and pari-mutuel wagering		Additionally, he thanked the Commission staff, particularly Mr. Forgy and Mr. Chapman, for all the work that was performed to process and review the applications. He also recognized the Commission members who contributed to the review of the three (3) applications.	Forgy. Motion carried 11-3 with objections by Chairman Kling, Commissioner Day and Commissioner Bisig. There were no absentions.
	7 – 34	Mr. Flanery and Mr. Gabbert presented on behalf of WKY Development, LLC as outlined in the agenda materials and answered questions posed by the Commissioners.	
	34 – 63	Mr. Real and Mr. Knipp presented on behalf of Ceasars Entertainment and Players Bluegrass Downs as outlined in the agenda materials and answered questions posed by the Commissioners.	Chairman Kling called for a vote to approve the motion as made by Commissioner Jones. Motion carried 13-1 with an objection by Vice-Chairman Simendinger.
	63 – 80	Mr. Johnsen, Mr. Winchell and Mr. Falcone presented on behalf of Kentucky Downs, LLC as outlined in the agenda materials and answered questions posed by the Commissioners.	There were no abstentions.
	80 80 – 82	Chairman Kling called for a 10 minute break.  Upon returning from the break, Commissioner Jackson made a motion to accept the application and grant the license to WKY Development, LLC (“WKY”) and deny the other two applications. Second by Commissioner Brown. Commissioner Jackson requested that Mr. Forgy outline the motion to ensure that all factors necessary were included in the motion. Mr. Forgy then proposed the following language for Commissioner Jackson’s motion:  “I make a motion that the Commission, first, find that WKY Development, LLC meets all of the requirements of KRS Chapter 230, including KRS 230.280 and	

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	82 – 89	<p>230.300, the requirements of Title 811 KAR Chapter 1, including 811 KAR 1:037, and the requirements of all other applicable statutes and regulations to be granted a license to conduct horse racing, simulcasting as may be permitted by statute, and parimutuel wagering;</p> <p>Second, to grant a license to WKY Development, LLC to conduct horse racing, simulcasting as may be permitted by statute, and parimutuel wagering for 2019 at the proposed location in Christian County, Kentucky with the license subject to the regular conditions of licensure imposed on all licensed associations;</p> <p>Third, to deny the license applications of Kentucky Downs, LLC and Players Bluegrass Downs, LLC to conduct horse racing, simulcasting as may be permitted by statute, and pari-mutuel wagering for 2019 at the proposed location in Christian County, Kentucky with said denials to be reduced to a final order signed by the Chairman within 30 days.”</p> <p>After proposing this motion language, Commissioner Jackson confirmed to Mr. Forgy that the proposed language as read by Mr. Forgy conformed to his motion.</p> <p>Commissioner Jones requested to add an additional condition to the motion. Commissioner Jackson stated that he preferred that that the condition not be part of his existing motion as read by Mr. Forgy.</p> <p>Mr. Forgy stated to Commissioner Jones that following the vote on the existing motion, he could propose a motion to add the condition.</p> <p>Following the vote, Commissioner Jones made the motion to include the condition to the granted license of WKY Development, LLC that WKY shall make good faith efforts to cooperate with the condition,</p>	

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		and any other interested parties, to effect whatever statutory and regulatory changes is necessary, to modify the current laws that govern simulcasting, development funds and anything pertaining to historical horse racing. Second by Commissioner Richardson.	
<b>N/A</b>	89	Mr. Guilfoil expressed condolences on the passing of former KHRC Commissioner, Mr. Johnny Jones, Jr.	Informational item only. No action taken.
	89 – 90	For the record, Commissioner Bising expressed the reasoning for his “yes” vote of granting the license to WKY.	Informational item only. No action taken.
<b>III. Adjournment</b>	90	Motion to adjourn by Commissioner Cauthen. Second by Commissioner Jackson.	No vote was taken on the motion. Meeting adjourned.

**NOTE:** The Agenda materials and any amendments and/or supplements thereto, subject to any applicable exemptions, and the official Transcript are incorporated by reference as if set forth fully herein.

## KENTUCKY HORSE RACING COMMISSION

### MINUTES OF THE MEETING

Date: December 11, 2018 at 1:30 PM

Place: Rolex Hospitality Room, 4089 Iron Works Parkway, Kentucky Horse Park, Lexington, KY 40511

Members Present: Chairman Franklin S. Kling, Jr.; Vice-Chairman Mark Simendinger; Commissioner J. Gatewood Bell, Jr.; Commissioner Larry Bisig; Commissioner Stuart E. Brown, II, DVM; Commissioner Kerry Cauthen; Commissioner Patrick A. Day; Commissioner Gerald W. Holt; Commissioner Kenneth A. Jackson; Commissioner Brereton C. Jones, Jr.; Commissioner Foster Northrop, DVM; and Commissioner J. David Richardson, M.D.

Ex-officio Members Present: Leigh Powers, by proxy and on behalf of Secretary Don Parkinson, Tourism, Arts & Heritage Cabinet; Jessica Burke, by proxy and on behalf of Secretary Terry Gill, Cabinet for Economic Development (arrived after Roll Call performed); and Acting Secretary Gail Russell, Public Protection Cabinet

KHRC Staff Participating/Present: Marc A. Guilfoil, Executive Director; Jamie Eads, Deputy Executive Director and Director of Division of Incentives and Development; John L. Forgy, General Counsel; Shawn D. Chapman, Deputy General Counsel; Steve May, Director of Pari-Mutuel Wagering and Compliance; Mary Scollay, DVM, Equine Medical Director; Bruce Howard, DVM, Chief Racing Veterinarian; and Barbara Borden, Chief State Steward

Others Participating: Chip Bach, General Manager, Turfway Park; Justin Paul, Vice President, Associate General Counsel, Churchill Downs; and Richard Riedel, Executive Director, Kentucky Racing Health & Welfare Fund

<b>AGENDA ITEM</b>	<b>TRANSCRIPT PAGE NUMBER(S)</b>	<b>DISCUSSION / CONCLUSIONS / RECOMMENDATIONS</b>	<b>ACTION TAKEN</b>
<b>I. Call to Order and Roll Call</b>	4 – 5	Meeting called to order and roll call performed by Chairman Kling. A quorum was recognized.	No action taken.
<b>II. New Business</b> <b>Tab 1 Minutes from</b> <b>August 21, 2018, September 28,</b> <b>2018 and October 16, 2018</b>	5 – 98 5 – 6	Chairman Kling requested a motion from the Commission to address the request submitted by KHRC staff to approve the proposed minutes of the August 21, 2018 Commission meeting. Motion by Commissioner Bisig. Second by Commissioner Cauthen.  Ms. Eads presented the minutes of the August 21, 2018 Commission meeting as outlined in the agenda materials.	Chairman Kling called for a vote to approve the request as presented. Motion carried with no objections or abstentions.

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	6 – 7	Chairman Kling requested a motion from the Commission to address the request submitted by KHRC staff to approve the proposed minutes of the September 25, 2018 Commission special meeting. Motion by Commissioner Richardson. Second by Commissioner Bell.	Chairman Kling called for a vote to approve the request as presented. Motion carried with no objections or abstentions.
	7 – 8	Ms. Eads presented the minutes of the September 25, 2018 Commission special meeting as outlined in the agenda materials.  Chairman Kling requested a motion from the Commission to address the request submitted by KHRC staff to approve the proposed minutes of the October 16, 2018 Commission meeting. Motion by Commissioner Jackson. Second by Commissioner Richardson.  Ms. Eads presented the minutes of the October 16, 2018 Commission meeting as outlined in the agenda materials	Chairman Kling called for a vote to approve the request as presented. Motion carried with no objections or abstentions.
<b>Tab 2      2019 Meeting Schedule and Calendar</b>	8 – 9   8	Chairman Kling requested a motion from the Commission to address the recommendation of the KHRC staff to approve the proposed 2019 meeting dates for the Commission. Motion by Commissioner Brown. Second by Commissioner Jones.  <b>CHAIRMAN KLING ACKNOWLEDGED FOR THE RECORD THE ARRIVAL OF COMMISSIONER BROWN.</b>  Chairman Kling presented the KHRC's recommendation as outlined in the agenda materials. Mr. Guilfoil stated that approval is recommended by KHRC staff.	Chairman Kling called for a vote to approve the recommendation as presented. Motion carried with no objections or abstentions.
<b>Tab 3      2019 Sire Stakes Purse Distributions and Race Dates</b>	9 – 12	Chairman Kling requested a motion from the Commission to address the recommendation submitted by the Kentucky Standardbred Development Fund and Kentucky Standardbred Breeders' Incentive Fund Advisory Panel (Advisory Panel) to approve the proposed 2019	Chairman Kling called for a vote to approve the recommendation as presented. Motion

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		<p>Kentucky Sire Stakes purse distributions and race dates. Motion by Commissioner Jackson. Second by Commissioner Day.</p> <p>Ms. Eads presented the Advisory Panel's recommendation as outlined in the agenda materials.</p> <p>Approval of the Advisory Panel's recommendation is recommended by the KHRC staff.</p>	<p>carried with no objections or abstentions.</p>
<b>Tab 4 Kentucky County Fairs: Race dates, Race Officials and Payment to the Kentucky Colt Association for Purse Distributions</b>	12 – 13	<p>Chairman Kling requested a motion from the Commission to address the request submitted by the Kentucky Colt Association (KCA) to approve the proposed 2019 Kentucky County Fair race dates, race officials, and the transfer of 2018 Standardbred unclaimed pari-mutuel ticket funds to the KCA for purse distributions Motion by Commissioner Holt. Second by Commissioner Jackson.</p> <p>Ms. Eads presented the KCA's request as outlined in the agenda materials.</p> <p>Approval of the request is recommended by the KHRC staff.</p>	<p>Chairman Kling called for a vote to approve the request as presented. Motion carried with no objections or abstentions.</p>
<b>Tab 5 Transfer of funds to the Kentucky Racing Health &amp; Welfare Fund</b>	13 – 15	<p>Chairman Kling requested a motion from the Commission to address the request submitted by Kentucky Racing Health &amp; Welfare Fund (KRHWF) to transfer funds from the 2018 thoroughbred unclaimed pari-mutuel ticket account to the KRHWF. Motion by Commissioner Day. Second by Commissioner Holt.</p> <p>Ms. Eads presented the KRHWF's request as outlined in the agenda materials.</p> <p>Approval of the request is recommended by KHRC staff.</p>	<p>Chairman Kling called for a vote to approve the request as presented. Motion carried with no objections or abstentions.</p>



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<b>Tab 6 Proposed Conditions to Conduct Advance Deposit Account Wagering for 2019</b>	15 – 17	<p>Chairman Kling requested a motion from the Commission to address the proposed recommendation submitted by KHRC staff to approve the proposed conditions of Advanced Deposit Account Wagering for 2019. Motion by Commissioner Richardson. Second by Commissioner Brown.</p> <p>Mr. May presented the KHRC staff's request as outlined in the agenda materials.</p> <p>Approval is recommended by KHRC staff.</p>	Chairman Kling called for a vote to approve the request as presented. Motion carried with no objections or abstentions.
<b>Tab 7 Requested Approval of Advance Deposit Account Wagering Licenses for 2019</b>	17 – 21	<p>Chairman Kling requested a motion from the Commission to address the nine 2019 renewal license applications to conduct advanced deposit account wagering in the Commonwealth of Kentucky submitted by AmWest Entertainment, LLC; eBet Technologies, Inc.; Lien Games Racing, LLC; NYRABets, LLC; PariBet, LLC; ODS Technologies, L.P. d/b/a TVG; Churchill Downs Technology Initiatives Company d/b/a TwinSpires; Watch and Wager.com, LLC; and Xpressbet LLC. Motion by Commissioner Brown. Second by Commissioner Bisig.</p> <p>Mr. May presented the nine 2019 renewal license applications to conduct advanced deposit account wagering in the Commonwealth of Kentucky as outlined in the agenda materials.</p> <p>KHRC staff recommends approval of each of the nine renewal applications as presented.</p>	Chairman Kling called for a vote to approve the nine 2019 renewal license applications as presented. Motion carried with no objections or abstentions.
<b>Tab 8 Requested Approval of Totalizator Licenses for 2019</b>	21 – 23	Chairman Kling requested a motion from the Commission to address the three 2019 renewal license applications to provide totalizator services in the Commonwealth of Kentucky submitted by AmTote International, Inc.; Sportech Racing, LLC; and United Tote Company.	Chairman Kling called for a vote to approve the three 2019 renewal applications as presented. Motion

AGENDA ITEM	TRANSCRIPT PAGE NUMBER(S)	DISCUSSION / CONCLUSIONS / RECOMMENDATIONS	ACTION TAKEN
		<p>Motion by Commissioner Cauthen. Second by Commissioner Richardson.</p> <p>Mr. May presented the three renewal applications to provide totalizator services in the Commonwealth of Kentucky as outlined in the agenda materials.</p> <p>KHRC staff recommends approval of each of the three renewal license applications as presented.</p>	<p>carried with no objections or abstentions.</p>
<p><b>Tab 9 Churchill Downs Request to Amend Historical Horse Racing Wagering Profile</b></p>	<p>24 – 36</p>	<p>Chairman Kling requested a motion for the Commission to address the request submitted by Churchill Downs to approve an updated version of the Ainsworth Historical Racing System, AINS14661KY, including HHR Wagering System Central Server, BGGame Terminal, HHR Management Terminal, and HHR Trust Report, Churchill Downs request to approve an updated version of the entertaining game theme Pac-Man Wild to utilize a new race set data base and adjustments to the payoff configurations, and the KHRC staff's request to conditionally approve up to 63 additional updated versions of previously approved wager profiles subject to ratification at the February 2019 commission meeting. Motion by Commissioner Brown. Second by Commissioner Day.</p> <p>Mr. May and Mr. Paul presented the requests as outlined in the agenda materials.</p> <p>Approval is recommended by KHRC staff.</p>	<p>Chairman Kling called for a vote to approve the requests as presented. Motion carried with no objections or abstentions.</p>
<p><b>Tab 10 Penalty Classification for Cannabidiol, Tetrahydrocannabinol (THC) and Cardarine</b></p>	<p>36 – 50 36 – 39</p>	<p>Chairman Kling requested a motion from the Commission to address the recommendation submitted by Equine Drug Research Council (EDRC) to classify Cannabidiol as a Class B drug on the KHRC's Uniform Drug, Medication, and Substance Classification Schedule</p>	<p>Chairman Kling called for a vote to approve the EDRC's recommendation as presented. Motion carried with no</p>

AGENDA ITEM	TRANSCRIPT PAGE NUMBER(S)	DISCUSSION / CONCLUSIONS / RECOMMENDATIONS	ACTION TAKEN
	<p>39 – 48</p> <p>48 – 50</p>	<p>and to add Cannabidiol to the KHRC's Uniform Drug, Medication, and Substance Classification Schedule by regulatory amendment pursuant to KRS Chapter 13A. Motion by Commissioner Richardson. Second by Commissioner Day.</p> <p>Dr. Scollay presented the EDRC's recommendation as outlined in the agenda materials. At its November 26, 2018 meeting, the EDRC voted unanimously in support of the recommendation.</p> <p>Approval is recommended by KHRC staff.</p> <p>Chairman Kling requested a motion from the Commission to address the recommendation submitted by the EDRC to classify Tetrahydrocannabinol (THC) as a Class A drug on the KHRC's Uniform Drug, Medication, and Substance Classification Schedule and to add THC to the KHRC's Uniform Drug, Medication, and Substance Classification Schedule by regulatory amendment pursuant to KRS Chapter 13A. Motion by Commissioner Cauthen. Second by Commissioner Holt.</p> <p>Dr. Scollay presented the EDRC's recommendation as outlined in the agenda materials. At its November 26, 2018 meeting, the EDRC voted unanimously in support of the recommendation.</p> <p>Approval is recommended by KHRC staff.</p> <p>Chairman Kling requested a motion from the Commission to address the recommendation of the EDRC to classify Caradine as a Class A drug on the KHRC's Uniform Drug, Medication, and Substance Classification Schedule and to add Cardarine to the KHRC's Uniform Drug, Medication, and Substance Classification Schedule by</p>	<p>objections or abstentions.</p> <p>Chairman Kling called for a vote to approve the EDRC's recommendation as presented. Motion carried with no objections or abstentions.</p> <p>Chairman Kling called for a vote to approve the EDRC's recommendation as presented. Motion carried with no</p>

<i>AGENDA ITEM</i>	<i>TRANSCRIPT PAGE NUMBER(S)</i>	<i>DISCUSSION / CONCLUSIONS / RECOMMENDATIONS</i>	<i>ACTION TAKEN</i>
		<p>regulatory amendment pursuant to KRS Chapter 13A. Motion by Commissioner Bisig. Second by Commissioner Richardson.</p> <p>Dr. Scollay presented the EDRC's recommendation as outlined in the agenda materials. At its November 26, 2018, the EDRC voted unanimously in support of the recommendation.</p> <p>Approval is recommended by KHRC staff.</p>	objections or abstentions.
<b>Tab 11 Characterizing Compositional and Mechanical Changes of Equine Proximal Sesamoid Bones Associated with Catastrophic Race Failure</b>	50 – 57	<p>Chairman Kling requested a motion from the Commission to address the recommendation submitted by the EDRC to approve the proposed expenditure of \$50,000 of EDRC funds in order to underwrite a pilot project to verify that certain imaging methods can be utilized to evaluate equine bone. Motion by Commission Day. Second by Commissioner Jackson.</p> <p>Dr. Scollay presented the EDRC's recommendation as outlined in the agenda materials. At its November 26, 2018 meeting, the EDRC voted to approve funding of this project with five votes in favor and one abstention.</p> <p>Approval is recommended by KHRC staff.</p>	Chairman Kling called for a vote to approve the EDRC's recommendation as presented. Motion carried with no objections or abstentions.
<b>Tab 12 Installation of Moisture Sensors on Grooming Harrows for Temporal and Spatial Analysis of Moisture Content on a Dirt Racing Surface</b>	57 – 64	<p>Chairman Kling requested a motion from the Commission to address the recommendation submitted by the EDRC to approve the proposed expenditure of \$40,000 of EDRC funds in order to underwrite a harrow mounted moisture sensor project. Motion by Commission Day. Second by Commissioner Brown.</p> <p>Dr. Scollay presented the EDRC's recommendation as outlined in the agenda materials. At its November 26, 2018 meeting, the EDRC voted unanimously to approve funding of this project upon the conditions outlined in the agenda materials.</p>	Chairman Kling called for a vote to approve the EDRC's recommendation as presented. Motion carried with no objections or abstentions

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		Approval is recommended by KHRC staff.	
<b>Tab 13 Presentation: Historical Horse Racing Facility Update – Turfway Park</b>	64 – 90	Mr. Bach presented an update to the Commissioners on Turfway Park's historical horse racing facility and addressed questions and concerns of the Commissioners.	No action taken. Informational item only.
<b>Tab 14 Reports</b>	90 – 98	a. Ms. Borden presented the thoroughbred rulings report as outlined in the agenda materials. She noted an update in the rulings report to include the payment of the fine for Ruling No. 18-0107 and noted correction of a mathematical error in the total of fines assessed in 2018 to \$27,100.  b. Mr. Guilfoil presented the Standardbred rulings report as outlined in the agenda materials. There were no updates to the rulings report.  c. Drs. Howard and Scollay presented the veterinary division report as outline in the agenda materials.  d. Mr. May presented the pari-mutuel wagering division report as outline in the agenda materials.  e. Litigation and Regulation report is for informational purposes only.	No action taken. Informational items only.
<b>a. Thoroughbred Rulings</b>	90 – 91		
<b>b. Standardbred Rulings</b>			
<b>c. Veterinary Division</b>	91		
<b>d. Pari-Mutuel Wagering Division</b>			
<b>e. Confidential – Litigation and Regulations</b>			
	91 – 95		
	95 – 98		
	98		
<b>III. Other Business</b>	98 – 99	Ms. Eads presented a report on contributions received by Kentucky racetracks offering historical horse racing wagering to the Kentucky Breeders' Incentive Funds.	No action taken. Informational item only.
<b>1. Contributions to the Kentucky Breeders' Incentive Fund</b>			
<b>IV. Adjournment</b>	99 – 55	Chairman Kling requested a motion to adjourn. Motion by Commissioner Cauthen. Second by Commissioner Jackson. Meeting adjourned.	Chairman Kling called for a vote to adjourn. Motion carried with no

<i>AGENDA ITEM</i>	<i>TRANSCRIPT PAGE NUMBER(S)</i>	<i>DISCUSSION / CONCLUSIONS / RECOMMENDATIONS</i>	<i>ACTION TAKEN</i>
			objections or abstentions.

**NOTE:** The Agenda materials and any amendments and/or supplements thereto, subject to any applicable exemptions, and the official Transcript are incorporated by reference as if set forth fully herein.



MATTHEW G. BEVIN  
GOVERNOR

FRANKLIN S. KLING, JR.  
CHAIRMAN

K. GAIL RUSSELL  
ACTING SECRETARY

MARC A. GUILFOIL  
EXECUTIVE DIRECTOR

**PUBLIC PROTECTION CABINET**  
**KENTUCKY HORSE RACING COMMISSION**  
ESTABLISHED 1906  
4063 IRON WORKS PKWY., BLDG. B  
LEXINGTON, KENTUCKY 40511  
TELEPHONE: (859) 246-2040 FAX: (859) 246-2039  
WEBSITE: [HTTP://KHRC.KY.GOV](http://KHRC.KY.GOV)

**TO: ALL COMMISSION MEMBERS**

**FROM: Jamie H. Eads, KHRC**

**DATE: January 22, 2019**

**SUBJECT: KTDF PURSE STRUCTURE: KEENELAND SPRING MEET**

---

On January 17, 2019, the KHRC received the attached letter from Keeneland with its KTDF purse structure request for the 2019 spring meet.

Keeneland is proposing KTDF purses around \$1,113,200. Keeneland's projections are based on a payout of 75% of the amount carded, daily earnings of \$18,500 and KRM earnings of \$520,000.

Keeneland will pay out KTDF funds through last place and in the event of a dead heat, the KTDF portion will be handled the same as the purse.

The KTDF Advisory Committee met & reviewed the proposal on January 22, 2019 and approval is recommended.

**COMMISSION ACTION**

\_\_\_\_\_ Approved

\_\_\_\_\_ Deferred

\_\_\_\_\_ Denied





January 16, 2019

Keeneland Association, Inc.  
4201 Versailles Road  
Lexington, KY 40510  
P.O. Box 1690  
Lexington, KY 40588-1690  
859 254-3412 Tel.  
800 456-3412  
859 288-4347 Fax  
www.keeneland.com

KTDF Committee of the  
Kentucky Horse Racing Commission  
4063 Iron Works Parkway  
Lexington, KY 40511

Dear Committee Members:

Keeneland has reviewed our KTDF data and would like to offer approximately \$1,113,200 in KTDF money for our upcoming April meet.

1. Assuming handle remains flat, we are projecting approximate daily earnings of \$18,500;
2. We have a deficit of \$176,978 following the Fall 2018 race meeting;
3. We are assuming a payout percentage of approximately 75% of the amount carded;
4. We are projecting total KRM earnings of approximately \$520,000;
5. We anticipate that KTDF purses will be approximately 17.9% of the purses for the races that are eligible for KTDF.

We remain committed to offering competitive purses near the highest daily average levels in the country, but also prudently manage our KTDF funds available. To that end, despite a reduced amount of KTDF funds budgeted due to our overpayment status, we are increasing the amount of association funds, yielding a net growth in average purses paid daily. Our goal is to eliminate the overpayment by the end of the calendar year.

Keeneland will continue to pay out KTDF funds through last place. A table containing the payout percentage by field size is attached. In the event there is a dead heat for finish positions 1 thru 5, the KTDF percentage payout for each position will be aggregated and paid equally to each horse included in the dead heat.

We will evaluate the earnings and payout percentages several days into our race meet and may need to make adjustments if our actual earnings and payout percentages are significantly different from our assumptions.

Please contact me if you have any questions or need additional information.

Sincerely,

Robert N. Elliston  
Vice President of Racing and Sales

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JAN 17 2019

KENTUCKY HORSE  
RACING COMMISSION



# Keeneland KTDF Split Structure

Finish	# Starters									
	5	6	7	8	9	10	11	12	13	14
1st	62.00%	60.00%	60.00%	60.00%	60.00%	60.00%	60.00%	60.00%	60.00%	60.00%
2nd	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%
3rd	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%
4th	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
5th	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
6th		2.00%	1.00%	0.67%	0.50%	0.40%	0.34%	0.29%	0.25%	0.23%
7th			1.00%	0.67%	0.50%	0.40%	0.34%	0.29%	0.25%	0.23%
8th				0.66%	0.50%	0.40%	0.33%	0.29%	0.25%	0.22%
9th					0.50%	0.40%	0.33%	0.29%	0.25%	0.22%
10th						0.40%	0.33%	0.28%	0.25%	0.22%
11th							0.33%	0.28%	0.25%	0.22%
12th								0.28%	0.25%	0.22%
13th									0.25%	0.22%
14th										0.22%
	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

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JAN 17 2019

KENTUCKY HORSE  
RACING COMMISSION

MATTHEW G. BEVIN  
GOVERNOR

FRANKLIN S. KLING, JR.  
CHAIRMAN



K. GAIL RUSSELL  
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TELEPHONE: (859) 246-2040 FAX: (859) 246-2039  
WEBSITE: [HTTP://KHRC.KY.GOV](http://KHRC.KY.GOV)

**TO: ALL COMMISSION MEMBERS**

**FROM: Jamie H. Eads, KHRC**

**DATE: January 22, 2019**

**SUBJECT: KTDF PURSE STRUCTURE: CHURCHILL DOWNS SPRING MEET**

---

On January 17, 2019, the KHRC received the attached letter from Churchill Downs' with its KTDF purse structure request for the 2019 spring meet.

Churchill Downs' is proposing KTDF purses in the range of \$3 - \$3.6 million. Churchill Downs' projections are based on a payout of 89% of the amount carded and daily earnings of \$94,940.

Churchill Downs' will pay out KTDF funds through last place and in the event of a dead heat, the KTDF portion will be handled the same as the purse.

The KTDF Advisory Committee met & reviewed the proposal on January 22, 2019 and approval is recommended.

**COMMISSION ACTION**

\_\_\_\_\_ Approved

\_\_\_\_\_ Deferred

\_\_\_\_\_ Denied



## CHURCHILL DOWNS

January 17, 2019

KTDF Advisory Committee of the  
Kentucky Horse Racing Commission  
4063 Iron Works Parkway  
Building B  
Lexington, Kentucky 40511

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KENTUCKY HORSE  
RACING COMMISSION

**Committee Members:**

Churchill Downs has reviewed our purses and would like to card KTDF purses in the range of \$3.0 million to \$3.6 million for our upcoming Spring Meet. We have based the range on the following information:

1. Churchill Downs had a surplus balance of \$228,546 at the end of our 2018 Fall Meet.
2. Our 2019 Spring Meet will consist of 38 racing days, consistent with the 2015, 2016, 2017, and 2018 meet. We are projecting daily earnings of \$94,940 which is significantly higher than the \$24,236 earned in 2018. The primary driver is the anticipated pari-mutuel wagering expected at Derby City Gaming LLC ("Derby City") from now until the end of the Spring Meet.
3. For Spring 2019, we are assuming a KTDF payout percentage of 89% with anticipated KTDF disbursements of \$3.1 million which is significantly higher than the \$938,261 paid during the Spring 2018 Meet. The primary driver of the increase is due to the estimated pari-mutuel wagering at Derby City.
4. To encourage participation during the Spring Meet, we are again planning to pay KTDF purses from first to last to all eligible horses.

Please contact either of us should you have any questions or need additional information.

Sincerely,

Ben Huffman  
Racing Secretary

Thomas Minneci  
Senior Director of Finance



## CHURCHILL DOWNS

### Additional Information Required for Approval of KTDF in 2019

In response to the KTDF Advisory Board's request for information, Churchill Downs Racetrack has made the following updates and efforts to increase Thoroughbred Development Fund generation:

- Live Racing
  - Nearly \$170 million in major capital improvements from 2010 through 2018 to enhance the customer experience
    - 2010 - Permanent Lighting for Track
    - 2013 - Paddock Plaza and The Mansion
    - 2014 - Big Board and Grandstand Pavilion
    - 2015 - Winners Circle Suites and The Courtyard
    - 2016 - Stakes Room and Turf Club
    - 2017 - Loft at Aristides Lounge and 2<sup>nd</sup> Floor Clubhouse
    - 2018 - Starting Gate Suites and Colonnade, Parking, and Transportation Project
  - 2018 – 2019 Improvements ... \$13.3 million capital investment
    - Starting Gate Suites Rooftop Lounge
    - New Infield Gate
    - Completion of Colonnade Wall from Paddock Gate to Clubhouse Gate
- Simulcasting
  - 2012 – Invested over \$4 million in the Parlay which is our dark time simulcast facility
  - 2017 - \$16 million capital investment in the 2<sup>nd</sup> Floor Clubhouse and refresh of the Aristides Lounge which is our live racing simulcast facility
  - From the end of Fall 2018 Meet through January 13, 2019, wagering on thoroughbred racing was \$3.4 million which has generated \$68,703 in KTDF
    - Compared to last year and adjusting for the one day difference (36 days vs. 35 days last year), our daily average wagering is \$12,786 (or 15.5%) higher than prior year
- Historical Horse Racing
  - Invested \$65 million in Derby City Gaming facility
    - KTDF generation, since opening in September 2018 through the end of fiscal year 2018 - \$1.3 million
      - Average daily handle at Derby City Gaming has grown from \$1.35 million in September to \$1.87 million in December (39% growth)

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RACING COMMISSION



# CHURCHILL DOWNS

January 17, 2019

KTDF Advisory Committee of the Kentucky Horse Racing Commission  
4063 Iron Works Parkway  
Building B  
Lexington, Kentucky 40511

## Committee Members:

The following information will be included in Churchill Downs' 2019 Spring Condition Book related to the Kentucky Thoroughbred Development Fund (KTDF).

### CHURCHILL DOWNS RACE TRACK KENTUCKY THOROUGHBRED DEVELOPMENT FUND (KTDF) ALLOCATION OF FUND BASED ON NUMBER OF STARTERS AND FINISH

For those horses that are registered and eligible according to the condition listed above, fund monies will be divided as follows: 60% to the winner, 20% to the second, 10% to the third, 5% to the fourth, 3% to the fifth and the remaining 2% to be divided equally among sixth through last.

Finish	Number of Starters									
	5	6	7	8	9	10	11	12	13	14
1st	60.00%	60.00%	60.00%	60.00%	60.00%	60.00%	60.00%	60.00%	60.00%	60.00%
2nd	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%
3rd	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%
4th	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
5th	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
6th		2.00%	1.00%	0.67%	0.50%	0.40%	0.34%	0.29%	0.25%	0.23%
7th			1.00%	0.67%	0.50%	0.40%	0.34%	0.29%	0.25%	0.23%
8th				0.66%	0.50%	0.40%	0.33%	0.29%	0.25%	0.22%
9th					0.50%	0.40%	0.33%	0.29%	0.25%	0.22%
10th						0.40%	0.33%	0.28%	0.25%	0.22%
11th							0.33%	0.28%	0.25%	0.22%
12th								0.28%	0.25%	0.22%
13th									0.25%	0.22%
14th										0.22%
Total	98.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%



## CHURCHILL DOWNS

**Example: Dead Heat for 2nd between an eligible and non-eligible horse using the above example.**

	2nd	3rd	Total	
KTDF:				
Payout	\$1,480.00	\$740.00	\$2,220.00	----> Eligible horse would receive 50% of the Total for 2nd and 3rd place
	KTDF	KTDF		
	Payout	Reverts		
	\$1,110.00	\$1,110.00		

### THE KENTUCKY THOROUGHBRED DEVELOPMENT FUND (KTDF)

Horsemen with Kentucky-Sired Kentucky-Foaled have more purse money to run for in allowance, non-claiming maiden and stakes races less than \$100,000 added in Kentucky through the Kentucky Thoroughbred Development Fund program.

In Allowance Optional Claiming races, horses entered for a claiming price of \$25,000 or higher are eligible for KTDF distribution if KTDF registered.

Eligible races can be readily recognized in the stakes and condition book by the Kentucky Thoroughbred Development Fund seal, which will appear next to each race in the stakes and condition books.

A horse must be registered prior to the time of entry to be eligible to participate in the distribution of Kentucky Thoroughbred Development Fund monies.

All horses of racing age that are both Kentucky-Foaled and sired by a Kentucky stallion which stood in Kentucky the entire breeding season the year the horse was conceived are eligible to be registered. Owners of horses of racing age are responsible for registering their stallions.

Registration applications may be obtained from the official registrar, the Kentucky Thoroughbred Owners and Breeders, by contacting:

**Mr. Chauncey Morris, Executive Director**  
Kentucky Thoroughbred Owners and Breeders  
4079 Iron Works Parkway  
Lexington, Kentucky 40511  
Phone: 859-259-1643

Registration applications may also be obtained from the horse identifier.

For those horses that are registered and eligible according to the condition listed above, fund monies will be divided as follows: 60% to the winner, 20% to the second, 10% to the third, 5% to fourth, 3% to fifth and the remaining 2% to be divided equally among sixth through last.

**Unearned fund monies revert to the Kentucky Thoroughbred Development Fund.**

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JAN 17 2019  
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KENTUCKY HORSE  
RACING COMMISSION



## CHURCHILL DOWNS

All references to 810 KAR as governed by KHRC within the publication are not meant to replace or modify the official regulations in any way, but rather to serve as a reference. Except in the case of "House Rules", if there is any discrepancy between the information set forth below and the rules set forth below and the rules set forth on the KHRC website ([www.khrc.ky.gov](http://www.khrc.ky.gov)), the rules on the KHRC website shall govern.

All KTDF purse allotments contained herein are subject to KHRC approval.

If you have any questions or need additional information, please reach out to me or Ben Huffman.

Sincerely,

Thomas Minneci  
Senior Director, Finance  
Churchill Downs Race Track  
700 Central Avenue  
Louisville, KY 40208  
Office: 502-638-3845  
Cell: 502-424-9372  
[tom.minneci@kyderby.com](mailto:tom.minneci@kyderby.com)

Ben Huffman  
Director of Racing & Racing Secretary  
Churchill Downs Race Track  
700 Central Avenue  
Louisville, KY 40208  
Office: 502-638-3820  
Fax: 800-928-3372  
[ben.huffman@kyderby.com](mailto:ben.huffman@kyderby.com)



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JAN 17 2019

KENTUCKY HORSE  
RACING COMMISSION



MATTHEW G. BEVIN  
GOVERNOR

FRANKLIN S. KLING, JR.  
CHAIRMAN

K. GAIL RUSSELL  
ACTING SECRETARY

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4063 IRON WORKS PKWY., BLDG. B  
LEXINGTON, KENTUCKY 40511  
TELEPHONE: (859) 246-2040 FAX: (859) 246-2039  
WEBSITE: [HTTP://KHRC.KY.GOV](http://KHRC.KY.GOV)

**TO: ALL COMMISSION MEMBERS**

**FROM: Jamie H. Eads, KHRC**

**DATE: January 15, 2019**

**SUBJECT: REQUEST FROM THE RED MILE FOR EARLIER POST TIMES ON SUNDAY SEPTEMBER 15, 2019 TO ACCOMMODATE THE KENTUCKY SIRE STAKES FINALS AND SEPTEMBER 26-28, 2019 FOR THE OPENING THREE DAYS OF THE GRAND CIRUIT**

---

By letter dated January 9, 2019, Julie Sorrell, Director of Mutuels & Simulcasting at The Red Mile, respectfully requests an earlier post for the first race on Sunday September 15, 2019. The request of an earlier post time of 3:00 p.m. is to accommodate the Kentucky Sire Stakes Finals.

Additionally, they request to change the post time for the first races on September 26-28, 2019 to 1:00 p.m. for the first three days of the Grand Circuit.

Staff recommends approval.

**COMMISSION ACTION**

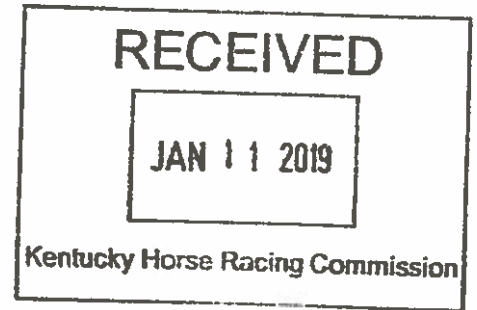
\_\_\_\_\_ **Approved**

\_\_\_\_\_ **Denied**

\_\_\_\_\_ **Deferred**







January 9, 2019

Mr. Marc Guilfoil  
Kentucky Horse Racing Commission  
Executive Director  
4063 Iron Works Parkway  
Lexington, Kentucky 40511

Dear Mr. Guilfoil:

The Red Mile respectfully requests approval from the Kentucky Horse Racing Commission to change post time on Sunday, September 15, 2019. We request an earlier post time of 3:00 pm, when we host the Kentucky Sire Stake Finals.

In addition, we request to change post time for the first three days of Grand Circuit, September 26-28, 2019 to 1:00 pm. An updated racing calendar is attached with the changes highlighted.




































Thank you for your time concerning this matter.

Sincerely,

A handwritten signature in black ink that reads "Julie Sorrell". The signature is written in a cursive, flowing style.

Julie Sorrell  
Director of Mutuels & Simulcasting  
The Red Mile

**THE RED MILE**  
**2019 Stakes Schedule**  
**July 25 - October 6**

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
<b>JULY</b> 21	22	23	24	25  Post: 7:00	26	27  Post: 7:00
28  Post: 7:00	29	30	31	<b>AUGUST</b> 1  Post: 7:00	2	3  Post: 7:00
4  Post: 7:00	5	6	7	8  Post: 7:00 KYSS 1 <sup>st</sup> Leg 2 FT & 2 CT	9	10  Post: 7:00 KYSS 1 <sup>st</sup> Leg 2 FP & 2 CP
11  Post: 7:00 KYSS 1 <sup>st</sup> Leg 3 FT & 3 CT	12	13	14	15  Post: 7:00 KYSS 1 <sup>st</sup> Leg 3 FP & 3 CP	16	17  Post: 7:00
18  Post: 7:00 KYSS 2 <sup>nd</sup> Leg 2 FT & CT	19	20	21	22  Post: 7:00 KYSS 2 <sup>nd</sup> Leg 2 FP & CP	23	24  Post: 7:00 KYSS 2 <sup>nd</sup> Leg 3 FT & 3 CT
25  Post: 7:00 KYSS 2 <sup>nd</sup> Leg 3 FP & CP	26	27	28	29  Post: 7:00	30	31  Post: 7:00 KYSS 3 <sup>rd</sup> Leg 2 FT & 2 CT
<b>SEPTEMBER</b> 1  Post: 7:00 KYSS 3 <sup>rd</sup> Leg 2 FP & 2 CP	2	3	4	5  Post: 7:00 KYSS 3 <sup>rd</sup> Leg 3 FT & 3 CT	6	7  Post: 7:00 KYSS 3 <sup>rd</sup> Leg 3 FP & 3 CP
8  Post: 7:00	9	10	11	12  Post: 7:00	13	14  Post: 7:00 KYSS 2 YO & 3YO Consolations
15  Post: 3:00 KYSS 2 & 3 YO Finals	16	17	18	19  Post: 7:00	20	21  Post: 7:00
22  Post: 7:00	23	24	25	26  Post: 1:00 Bluegrass 2 CT Late Closers	27  Post: 1:00 Bluegrass 2 FT & FP Late Closers	28  Post: 1:00 Bluegrass 2 CP & 3 FP Late Closers
29  Post: 1:00 Bluegrass 3 CP-3 CT-3 FT Late Closers	30	<b>OCTOBER</b> 1  SALE	2  SALE	3  Post: 1:00 INSS 2 CT Late Closers SALE	4  Post: 1:00 INSS 2 FT & 2 FP Late Closers SALE	5  Post: 1:00 INSS 2 CP Glen Garnsey 3 FP Allerage Open Pace & Trot Late Closers SALE
6  Post: 1:00 KY Futurity KY Filly Futurity Tattersalls Allerage Mare Trot & Pace Late Closers MIXED SALE	7	8	9	10	11	12



MATTHEW G. BEVIN  
GOVERNOR

FRANKLIN S. KLING, JR.  
CHAIRMAN

K. GAIL RUSSELL  
ACTING SECRETARY

MARC A. GUILFOIL  
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TELEPHONE: (859) 246-2040 FAX: (859) 246-2039  
WEBSITE: [HTTP://KHRC.KY.GOV](http://KHRC.KY.GOV)

TO: ALL COMMISSION MEMBERS  
FROM: Jamie H. Eads, Deputy Executive Director  
DATE: February 12, 2019  
SUBJECT: BACKSIDE IMPROVEMENT REQUESTS: KEENELAND ASSOCIATION

---

On February 12, 2019, the KHRC received the enclosed backside improvement requests from Keeneland seeking permission from the Commission to approve the projects pursuant to 810 KAR 1:021. The details for each request follow this memorandum. Keeneland has the funds available in the Backside Improvement Fund. KHRC staff inspected the areas and confirmed these projects fulfil the statutory requirements. KHRC staff will again confirm once the projects are complete. All invoices, photographs and communication will remain on file for Commission review.

Total estimated cost for all projects: \$178,095.25

Staff recommends approval.

**COMMISSION ACTION:**

\_\_\_\_\_ Approved

\_\_\_\_\_ Deferred

\_\_\_\_\_ Denied

# KEENELAND

Keeneland Association, Inc.  
4201 Versailles Road  
Lexington, KY 40510  
P.O. Box 1690  
Lexington, KY 40588-1690  
859 254-3412 Tel  
800 456-3412  
859 288-4347 Fax  
www.keeneland.com

February 11, 2019

Mr. Marc Guilfoil  
Executive Director  
Kentucky Horse Racing Commission  
4063 Iron Works Parkway  
Building B  
Lexington, KY 40511



Dear Marc,

Enclosed please find a schedule of proposed backside improvements requested by Keeneland pursuant to your administration of the Backside Improvement Fund (KRS 230.218). All of these expenditures are to improve conditions of the backside for Keeneland Association. We have supplied photographs and copies of itemized statements.

Keeneland currently has \$180,259.68 in available funds contributed to the Backside Improvement Fund for fiscal year 2019. We would like to request pre-approval for \$178,095.29 for the projects enclosed, and be allowed to have some discretion with when they are completed and the amount allocated to each project. When we seek reimbursement upon completion, we will provide the Commission with written documentation final photographs, and copies of all invoices on completed projects. This process will allow us to utilize the funds in the most economical and beneficial manner for enhancing our backside.

Thank you for your consideration, and please let me know if you have any questions regarding our request.

Sincerely,

A handwritten signature in dark ink, appearing to read "V- ALL".

Vince Gabbert  
Vice President and Chief Operating Officer

Enclosures

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FEB 12 2019

KENTUCKY HORSE  
RACING COMMISSION



## Proposed Backside Improvement Projects

(To Be Completed in 2019)

	Detail/Notes	Unit Price*	Qty	Proposed	Actual	Variance
1	Keeneland Stall Screen Replacement	\$ 259.56	128	\$ 33,223.81		\$ 33,223.81
2	Training Center Sliding Exterior Doors	\$ 1,433.78	8	\$ 11,470.26		\$ 11,470.26
3	Training Center Sliding Exterior Door Panel Insert	\$ 4.16	175	\$ 727.16		\$ 727.16
4	Training Center Shed Row Panel Repair			\$ 3,380.45		\$ 3,380.45
	<i>Polys500 Awning</i>	\$ 12.95	200		\$ 2,590.00	
	<i>Steel Stitch ZipStrip</i>	\$ 0.48	1600		\$ 763.20	
	<i>Steel Stitch Chisel Point Staples</i>	\$ 25.10	1		\$ 25.10	
5	Tackroom Lighting Upgrades to LED	\$ 43.35	415	\$ 17,991.91		\$ 17,991.91
6	Gas Wall Furnace Heaters for Tack Rooms	\$ 809.17	22	\$ 17,801.70		\$ 17,801.70
7	FlexiPave For Barn Areas	\$ 6.10	738	\$ 5,000.00		\$ 5,000.00
8	1/2 Shed Row Replacements Barn #23 North Side			\$ 88,500.00		\$ 88,500.00
	<b>Total Requested</b>			<b>\$ 178,095.29</b>	<b>\$ -</b>	<b>\$ (178,095.29)</b>
	<b>*Unit Prices include tax</b>					
	<b>Available Funds remaining for this period</b>				<b>\$ 180,259.68</b>	

(Includes \$4500 in material and \$500 in freight)  
excluding \$2300 for cast in place knee wall

Wright's Farm Services, Inc

Richmond, KY 40475

3700 River Drive

Richmond, KY 40475

## Estimate

Date	Estimate #
12/3/2018	Screens2019

Name / Address
Keeneland Walter S.D. Wallace, II Director of Maintenance P.O. Box 1690 Lexington, KY 40588-1690

			Project
Description	Qty	Cost	Total
FABRICATE STEEL STALL SCREENS			
Fabrication Labor for Stall Screens	10	90.00	900.00T
Material needed:	10	138.869	1,388.69T
3/4 #9 flat expanded metal screen			
1" square tubing frame with cross piece			
Hinges - 1/2" solid round			
1/2" schedule 80 pipe			
1/4" x 1" flat			
1/2" solid square			
(2) hinges per door	20	8.00	160.00T
****No Changes from May 2018****			
		Sales Tax (6.0%)	\$146.92
		Total	\$2,595.61

Phone #
859-254-4086







Wright's Farm Services, Inc

Richmond, KY 40475

3700 River Drive

Richmond, KY 40475

# Estimate

Date	Estimate #
12/3/2018	CtrDoor2019

Name / Address
Keeneland Walter S.D. Wallace, II Director of Maintenance P.O. Box 1690 Lexington, KY 40588-1690

			Project
Description	Qty	Cost	Total
FABRICATE (8) ALUMINUM CENTER DOORS FOR TRAINING BARN 14' x 7'10"			
Fabrication Labor Cut material and weld doors	8	345.00	2,760.00T
Material Needed ALUMINUM	8	1,007.625	8,061.00T
4" x 2" aluminum tube 1/8" wall for frame 4' x 8' aluminum sheet			
PRICE PER DOOR: \$1433.78 Increase in Price from May 2018 - \$283.02 or \$35.38 each  Approximate weight per door - 223#			
		Sales Tax (6.0%)	\$649.26
		Total	\$11,470.26

Phone #
859-254-4086





30

## Shopping Cart

Ship this order to my address

Pickup this order at 270 Riverside Parkway Austell, GA

Product	Availability	Quantity	Unit Price	Total
---------	--------------	----------	------------	-------



Steel Stitch Staple-In Tube #SMP-8B 1" x 2" x  
1/8" x 25'  
Item #250090

Available to ship by  
LTL

175

\$3.92

\$686.00

Add to Requisition List

x Remove

+ Add Comment(s)

Promo Code

Order Subtotal:

\$686.00

Order Total:

\$686.00 +Tax

\$41.16  
\$727.16

You may also like...





## Shopping Cart

**Ship** this order to my address**Pickup** this order at 270 Riverside Parkway Austell, GA

Product	Availability	Quantity	Unit Price	Total
<u>Patio 500® Awning</u> <u>61" Clear 513</u> Item #858513	Available for Shipping			
				200
				\$12.22

\$2,444.00

Add to Requisition List

x Remove

+ Add Comment(s)



Steel Stitch™ ZipStrip®  
400' White 01 (Full Rolls Only)  
Item #249901

Available for  
Shipping

1600

\$0.45

\$720.00

Add to Requisition List

x Remove

+ Add Comment(s)

Steel Stitch Chisel Point Galvanized Staples 1/2"#805STA12CP 8400-pk

Item #250222

Available for  
Shipping

1

\$25.10

\$25.10

Add to Requisition List

x Remove

+ Add Comment(s)

Promo Code

Order Subtotal:

\$3,189.10

Order Total:

\$3,189.10 + Tax

\$191.35  
\$3380.45

You may also like...





  
**REXEL**

REXEL 1055 LEX LEXINGTON  
1693 JAGGIE FOX WAY  
LEXINGTON, KY 40511-1084  
859-293-2611  
Fax 972-649-1914

## Quotation

QUOTE DATE	QUOTE NUMBER	PAGE NO.
02/07/2019	S123832499	1 of 1
CUST PO#:	SATCO	
JOB/REL#:		

**QUOTE TO:**

KEENELAND ASSOCIATION  
PO BOX 1690  
LEXINGTON, KY 40588-1690

**SHIP TO:**

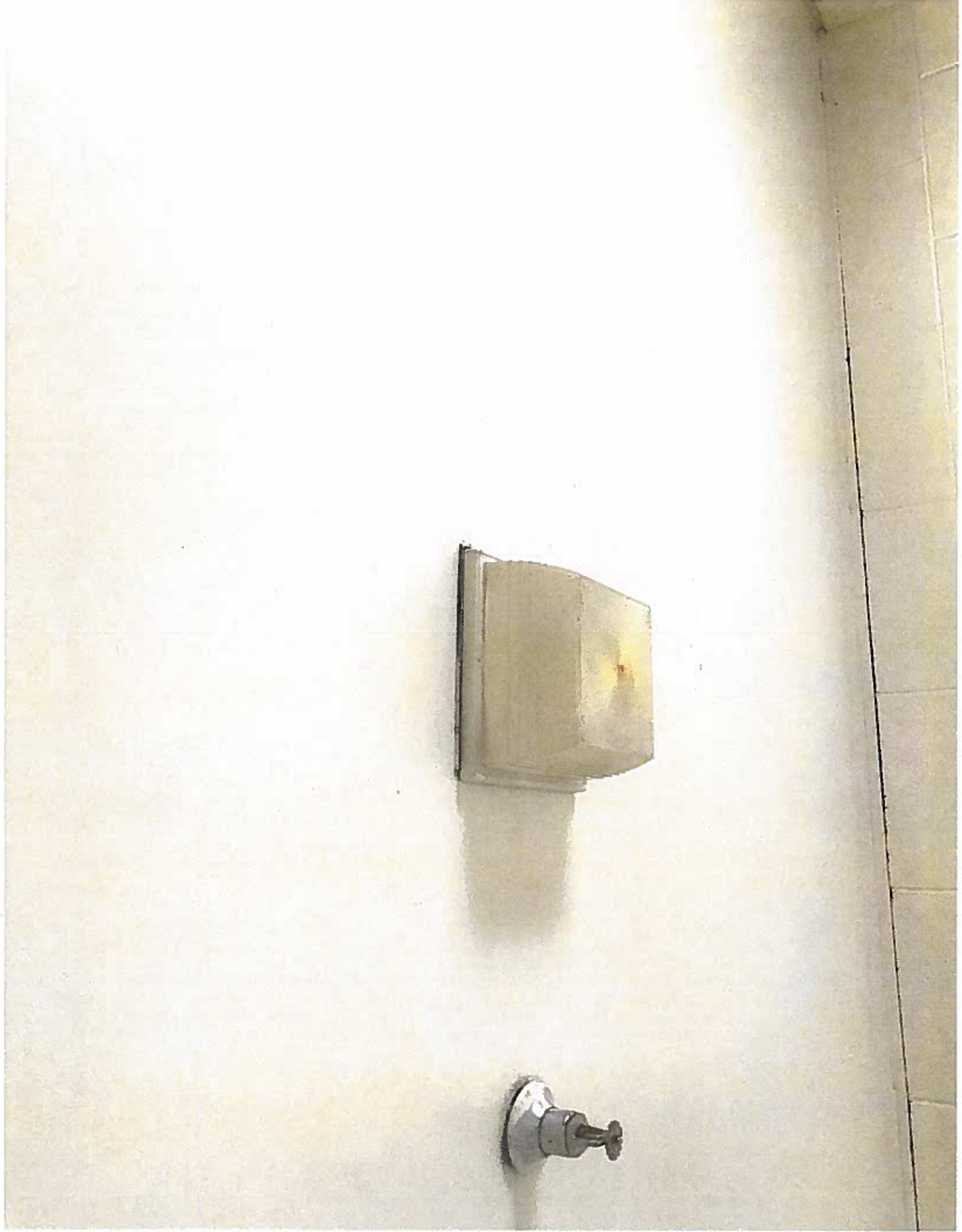
KEENELAND ASSOCIATION  
4201 VERSAILLES RD  
LEXINGTON, KY 40510-9662

CUSTOMER NUMBER	CUSTOMER PHONE#	ORDERED BY	SALESPERSON	
233968	859-806-8088		Ryan King	
WRITER	SHIP VIA	TERMS	SHIP DATE	FREIGHT ALLOWED
Charles Newman 1055	LEX-LOCAL	PROX 25th	02/07/2019	Yes
ORDER QTY	DESCRIPTION		UNIT PRICE	EXT PRICE
415ea	SAT S29691 25W/LED/13IN FLUSH/40K/RD/WH S9691 Pn: 1346167 UPC: 04592329691 * Currently in stock at the factory *		40.900/EA	16973.50

All sales transactions are subject to credit approval. Any quotation and all transactions with Rexel are conditioned upon Rexel's Terms and Conditions of Sale located at <http://www.rexelusa.com/terms>. Quotation is valid for 30 days after the date of issue unless otherwise specified. Items subject to governmental tariffs effective on or after quotation will be price in effect at time of shipment unless otherwise specified. Quotation for commodity items is valid for the day of the quote only unless otherwise specified. All applicable taxes will be itemized and charged at the time of sale.

Subtotal	16973.50
S&H Charges	0.00
Sales Tax	1018.41
Total	17991.91











# S9691

25W/LED/13"FLUSH/40K/RD/WH  
25 watt; 13" Flush Mount LED Fixture; 4000K; Round Shape;  
White Finish; 120 volts

## Features

- Surface mount fixture
- Title 24 Compliant
- 90+ CRI
- Dimmable
- Damp location rated
- 5 Year limited warranty

S9691

Item Number	Product Line	UPC	Voltage	Watts	Incandescent Equivalent	Fixture Type	Base
S9691	BLINK	045923096914	120	25	100W	Flush Mount	Connector

Lamp Code	Dimmable/Non-Dimmable	Suggested Dimmers	Finish	MOL In Inches	MOD In Inches	Initial Lumens	Average Rated Hours
25W/LED/13"FLUSH/40K/RD/WH	Dimmable	Compatible dimmers for S9691	White	1"	13"	1800	40000

Kelvin Temp	Color	CRI	Beam Spread Deg	Operating Temperature	Pack	Package Type	ENERGY STAR
4000	Cool White	90+	108	-20C (-4F) to a maximum of +45C (+113F)	4	Box	ENERGY STAR

Material	RoHS Compliant	UL or ETL Listed	UL Classification	Warranty
Housing: Die cast aluminum	Yes	Yes	cETLus - Damp Location Rated	5 Year Limited



FERGUSON/WOLSELEYIND #2655  
1100 BROCK MCVEY DRIVE  
LEXINGTON, KY 40509-4116

Phone: 859-255-1412  
Fax: 859-233-7592

Deliver To:

From: James Liver

Comments:

13:10:36 JAN 17 2019

Page 1 of 1

FERGUSON ENTERPRISES INC #20

Price Quotation

Phone: 859-255-1412

Fax: 859-233-7592

Bid No: B137584  
Bid Date: 01/17/19  
Quoted By: JYL

Cust Phone: 859-254-3412  
Terms: 2% 10TH NET 30TH

Customer: KEENELAND ASSOCIATION INC  
PO BOX 1690  
LEXINGTON, KY 40588

Ship To: KEENELAND ASSOCIATION  
KEENELAND ASSOCIATION  
4201 VERSAILLES ROAD  
DELIVER TO SHOP ON THE HILL  
LEXINGTON, KY 40510

Cust PO#: HEATER

Job Name: HEATER

Item	Description	Quantity	Net Price	UM	Total
SP-EDV25SGNAT	DIRECT VENT WALL FURNACES	6	739.200	EA	4435.20
Net Total:					\$4435.20
Tax:					\$274.81
Freight:					\$145.00
Total:					\$4855.01

Quoted prices are based upon receipt of the total quantity for immediate shipment (48 hours). SHIPMENTS BEYOND 48 HOURS SHALL BE AT THE PRICE IN EFFECT AT TIME OF SHIPMENT UNLESS NOTED OTHERWISE. QUOTES FOR PRODUCTS SHIPPED FOR RESALE ARE NOT FIRM UNLESS NOTED OTHERWISE.

CONTACT YOUR SALES REPRESENTATIVE IMMEDIATELY FOR ASSISTANCE WITH DBE/MBE/WBE/SMALL BUSINESS REQUIREMENTS.

Seller not responsible for delays, lack of product or increase of pricing due to causes beyond our control, and/or based upon Local, State and Federal laws governing type of products that can be sold or put into commerce. This Quote is offered contingent upon the Buyer's acceptance of Seller's terms and conditions, which are incorporated by reference and found either following this document, or on the web at [http://wolseleyna.com/terms\\_conditionsSale.html](http://wolseleyna.com/terms_conditionsSale.html).  
Govt Buyers: All items are open market unless noted otherwise.

LEAD LAW WARNING: It is illegal to install products that are not "lead free" in accordance with US Federal or other applicable law in potable water systems anticipated for human consumption. Products with "NP" in the description are NOT lead free and can only be installed in non-potable applications. Buyer is solely responsible for product selection.



DO NOT SIT ON, OR PLACE  
OBJECTS ON HEATER

NO SE SIENTE, NI PONE  
OBJETOS EN EL CALENTADOR



OLD HEATER

## Marsh Woodrow

**From:** Jamie Cabral <jcabral@kbius.com>  
**Sent:** Friday, February 08, 2019 9:15 AM  
**To:** Marsh Woodrow  
**Cc:** Joy ORiley  
**Subject:** RE: GPP

Morning,  
Standard pricing is \$6.10 per sf plus freight.  
We do pricing discounts once you get over 1000sf

### Jamie Cabral

Chief Operating Officer (COO) | K.B. Industries, Inc.  
Office (727) 723-3300 • Mobile (727) 688-0085  
[jcabral@kbius.com](mailto:jcabral@kbius.com) • [www.kbiglobal.com](http://www.kbiglobal.com)

737.70 sq. ft of  
Flexi-pave at \$6.10/sq. ft  
\$4,500  
\$500  
\$5,000 Est. freight

Head Office: (727) 723-3300  
4600 140th Ave N  
Ste 200  
Clearwater, FL 33762  
**flexipave**

**K B I**

Sustainable Porous Paving Solutions

[www.kbiglobal.com](http://www.kbiglobal.com)

**CONFIDENTIALITY NOTICE:** This e-mail message, including any attachments, is for the sole use of the intended recipient(s) and may contain confidential and privileged information. Any unauthorized review, use, disclosure, or distribution is prohibited. If you have received this e-mail and are not the intended recipient, please contact the sender by reply e-mail and destroy all copies of the original message.

**From:** Marsh Woodrow <mwoodrow@keeneland.com>  
**Sent:** Thursday, February 7, 2019 4:15 PM  
**To:** Jamie Cabral <jcabral@kbius.com>  
**Subject:** RE: GPP

Thank you for all the information. We are working on our budget for the upcoming year. Could you send me a material price sheet?

Marsh Woodrow

**KEENELAND** 

Marsh Woodrow | Keeneland Association Inc |  
4201 Versailles Rd. | Lexington, KY 40510 USA | PO Box 1690 | Lexington, KY 40588-1690 USA  
Direct Line 8594945493 | Fax | <http://www.keeneland.com>









# sullivan | cozart

November 28, 2018 (Revised)

Keeneland Association, Inc.  
4201 Versailles Road  
Lexington, Kentucky 40510  
P. O. Box 1690  
Lexington, Kentucky 40588-1690

Re: Keeneland Shed Row Renovation Barn 23

Mr. Walter Wallace II:

We propose to perform the following work along one side of Barn 23's shed row for the sum of \$79,900:

1. Remove and replace the masonry shed row knee wall of ½ the barn;
2. Remove and replace the concrete footing;
3. Remove the existing wood columns and spandrel beam, replace with steel columns and beam;
4. Re-attach the existing roof rafters to the steel structure;
5. Remove and replace the center (2) sliding door gates;
6. We anticipate using Keeneland shores located on site to temporarily support the roof structure;
7. All work shall be completed during normal working hours; 7:00 am – 3:30 pm, M-F. We have not included any overtime;
8. We exclude any plumbing, electrical or fire protection construction;
9. We exclude replacing any Class I sand along the shed row.

In addition to the above, we propose to construct a concrete drainage flume adjacent to the south shed row wall for the additional sum of \$6,500.

To substitute a cast in place knee wall in place of the masonry wall, add \$2,300. To install (4) 6" pipe bollards at the jambs of the knee wall, add \$2,100.

Thank you for the opportunity to provide this proposal.

Sincerely,

Sullivan & Cozart, Inc.

*Mike Thorp*

Mike Thorp  
Project Manager

general contractors  
construction managers

P.O. Box 953  
Louisville, Kentucky 40201  
p: 502.584.4213  
f: 502.584.4236  
www.sullivancozart.com  
mail@sullivancozart.com







MATTHEW G. BEVIN  
GOVERNOR

FRANKLIN S. KLING, JR.  
CHAIRMAN

K. GAIL RUSSELL  
ACTING SECRETARY

MARC A. GUILFOIL  
EXECUTIVE DIRECTOR

**PUBLIC PROTECTION CABINET**  
**KENTUCKY HORSE RACING COMMISSION**  
**ESTABLISHED 1906**  
4063 IRON WORKS PKWY., BLDG. B  
LEXINGTON, KENTUCKY 40511  
TELEPHONE: (859) 246-2040 FAX: (859) 246-2039  
WEBSITE: [HTTP://KHRC.KY.GOV](http://KHRC.KY.GOV)

TO: ALL COMMISSION MEMBERS  
FROM: Jamie H. Eads, Deputy Executive Director  
DATE: February 1, 2019  
SUBJECT: FOUR BACKSIDE IMPROVEMENT REQUESTS: CHURCHILL DOWNS, INC.

---

On February 1, 2019, the KHRC received the enclosed four backside improvement requests from Churchill Downs seeking permission from the Commission to approve the projects pursuant to 810 KAR 1:021. Listed below is a brief review and the details for each request follow this memorandum. Churchill Downs has the funds available in the Backside Improvement Fund. KHRC staff inspected the areas and confirmed these projects fulfil the statutory requirements. KHRC staff will again confirm once the projects are complete. All invoices, photographs and communication will remain on file for Commission review.

1. Modification to Barn 15 to comply with test barn requirements in conjunction with the new voided claim regulations. Total estimated cost: \$150,000.
2. Repair/Resurface approximately 17,900 square feet of asphalt on the backside of Churchill Downs racetrack and stable area at Popular Level Road facility. Total estimated cost: \$62,900.
3. Install concrete in quarantine barns to comply with United States Department of Agriculture. Total estimated cost: \$29,340.
4. Repair/Replace the roofs on barns D, E, J & K at Popular Level Road facility. Total estimated cost: \$88,075.

Total estimated cost for all projects: \$330,315

Staff recommends approval.

**COMMISSION ACTION:**

\_\_\_\_\_ Approved  
\_\_\_\_\_ Deferred  
\_\_\_\_\_ Denied



# CHURCHILL DOWNS

INCORPORATED

January 30, 2019

Marc A. Guilfoil - Executive Director  
Kentucky Horse Racing Commission  
4063 Ironworks Parkway, Building B  
Lexington, KY 40511  
[Marc.Guilfoil@ky.gov](mailto:Marc.Guilfoil@ky.gov)  
(859) 246-2040

RECEIVED

FEB 01 2019

KENTUCKY HORSE  
RACING COMMISSION

Re: Application for Approval of Backside Improvement Fund Project

Dear Marc,

Churchill Downs Racetrack (CDRT) is requesting to use Backside Improvement Funds to comply with test barn requirements in conjunction with the new voided claim regulations. This initiative will require us to make modifications to Barn 15 to accommodate the anticipated significant increase in the number of horse that will be subjected to post race testing. Here is a detailed scope of the work that needs to be completed prior to the Spring Meet –

- Install new green chain link fence (8' high, with prongs facing down) around the perimeter of Barn 15; include two 8' wide gates, One 16' wide double gate
- Add new mesh screens for openings on both sides of barn
- Repair masonry knee wall on the exterior of the shed row
- Demo two interior walls in the Commission Office
- Remove two existing doors and complete masonry infill of openings
- Remove vinyl flooring in office and restroom areas; Clean concrete
- Demo existing ceilings and install new ACT ceiling below existing conduit height
- All new paint
- Cut and install owner provided rubber mats in all twenty (20) stalls
- Build out four new wash stalls
  - Add one new floor drain at four stalls (Drains will connect to sanitary sewer)
  - Add separate hot and cold water plumbing in wash stalls
  - Add level and install new concrete floors.
  - Waterproof stall walls
- Add new cold water plumbing on the perimeter wall of all twenty (20) stalls
- Build out new unisex restroom. Provide all fixtures (sink, toilet) and toilet accessories (wall mounted cabinet, mirror, paper towel dispenser, toilet paper holder, etc)
- Install twenty-five (25) new electrical receptacles
- Provide and install twenty (20) fans in shed rows and sixteen stalls.
- Provide and install exterior flood lighting at barn entrances
- Install phone and data drops in Commission Office
- Rough in for two TVs, including blocking
- Provide and install exterior signage
- Purchase twenty (20) water buckets
- Install forty (40) screw eyes
- Provide and level playground mulch for the shed rows

- Unload and install three owner provided refrigerators

The total estimated cost is \$150,000. Here is breakdown of the costs which includes estimates from SO Contracting and LRP Solutions –

- General Contractor (SO Contracting) - \$115,900
- Rubber Mat (LRP Solutions) - \$8,264 (includes 6% tax)
- Miscellaneous Hardware - \$6,500
- Buckets (Twenty) - \$400
- Televisions - \$1,800
- Refrigerators - \$2,700
- Contractor Contingency - \$14,436

If approved, CDRT will submit the invoices to the Kentucky Horse Racing Commission for reimbursement after the work has been completed.

Regards,



Mike Ziegler  
Executive Director, Racing  
Churchill Downs Incorporated  
600 N. Hurstbourne Parkway, Suite 400  
Louisville, KY 40222  
Office: (502) 394-1137



Quantity	Brief Description	Line Item Total Price
	Install fencing, mesh screen on outside, new masonry knee wall	\$ 25,300.00
	Build out (4) new wash stalls including new concrete floors and	
	waterproofing the walls. Provide fans and rubber mats for all stalls	\$ 21,600.00
	All plumbing- Includes restrooms, water for wash stalls, floor drains,	
	tie-in to sewer at 50' to existing building, all permits and inspections	\$ 28,000.00
	Commission Area- Demo of interior walls, doors, flooring and ceiling	
	Filling in door openings, new drop ceiling, cabinets, etc.	\$ 10,000.00
	Painting- All interior commission walls, knee wall, exterior, etc.	\$ 13,000.00
	Electric- New tv's, phone and data, exterior flood lights, electric for	
	fans, etc.	\$ 13,500.00
	Misc. work for water buckets, screw eyes, refrigerators, mulching	\$ 4,500.00
	Sub Total	\$ 115,900.00
	NOTE: Subcontractor is responsible for all applicable sales taxes. Sales Tax	
	Total	\$ 115,900.00

## LRP Solutions, Inc

5416 46th Street  
Kenosha, WI 53144  
Phone 262-652-3912 Fax 262-657-6705  
Toll Free 800-558-4040

## Quotation

DATE:  
Prepared by:

January 23, 2019  
Stephen Lee

**Contact Info:**  
Churchill Downs Race Course  
700 Central Ave  
Louisville, Ky 40208  
502-636-4400  
James Richardson

DESCRIPTION		
Deluxe Rubber Mats		
(40) pcs 6' x 11'-4" Straight Cut	\$	7,200.00
Shipping	\$	631.76
Total Due	\$	7,831.76

x 6% = \$432-

THANK YOU FOR YOUR BUSINESS!

# CHURCHILL DOWNS

INCORPORATED

Marc A. Guilfoil - Executive Director  
Kentucky Horse Racing Commission  
4063 Ironworks Parkway, Building B  
Lexington, KY 40511  
[Marc.Guilfoil@ky.gov](mailto:Marc.Guilfoil@ky.gov)  
(859) 246-2040



Re: **Application for Approval of Backside Improvement Fund Project**

Dear Marc,

Churchill Downs Racetrack (CDRT) is requesting to use Backside Improvement Funds to repair / re-surface 31 areas (approximately 17,900 square feet) of asphalt on the backside at 700 Central Avenue and at 4520 Poplar Level Road. Here is a quote from Libs Paving Co., Inc. for \$62,900. We will obtain other competitive bids for the work which needs to be completed prior to the opening of the barn areas for the Spring 2019 Meet –



February 04, 2019

Attn: Jamie Richardson  
Churchill Downs  
700 Central Ave.  
Louisville, Kentucky 40208

Project Name

Churchill Downs & Trackside  
Repairs - Spring 2019  
700 Central Ave  
Louisville, Kentucky 40208

We are happy to present to you the following proposal for work to be performed. If you have any questions, please do not hesitate to contact us. Thank you!

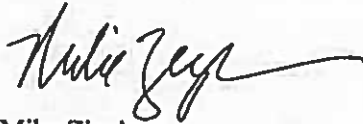
**Repair approx. 31 areas throughout backside at Churchill Downs and in stable area at trackside totaling approx. 17,900 sq ft.**

1. Mill out approx. 2" old asphalt, haul away spoils
2. Broom and tack
3. Apply 2" surface asphalt

Total Price for this item: \$62,900.00

If approved, CDRT will submit the invoices to the Kentucky Horse Racing Commission for reimbursement after the work has been completed.

Regards,

A handwritten signature in black ink, appearing to read "Mike Ziegler", with a long horizontal flourish extending to the right.

Mike Ziegler  
Executive Director, Racing  
Churchill Downs Incorporated  
600 N. Hurstbourne Parkway, Suite 400  
Louisville, KY 40222  
Office: (502) 394-1137

# CHURCHILL DOWNS

INCORPORATED

January 30, 2019

Marc A. Guilfoil - Executive Director  
Kentucky Horse Racing Commission  
4063 Ironworks Parkway, Building B  
Lexington, KY 40511  
[Marc.Guilfoil@ky.gov](mailto:Marc.Guilfoil@ky.gov)  
(859) 246-2040



Re: Application for Approval of Backside Improvement Fund Project

Dear Marc,

Churchill Downs Racetrack (CDRT) is requesting to use Backside Improvement Funds to comply with a request from the United State Department of Agriculture (USDA). The USDA has requested us to install concrete in barns used for quarantine prior to the start of our Spring Meet this year. Here is the quote from Kingsbury Concrete Construction which outlines the scope of work to be completed –



P.O. Box 328 • 6301 Hitt Lane  
Crestwood, KY 40014

Since 1947  
Phone: (502) 243-0070  
Fax: (502) 243-0018

January 23, 2019

Churchill Downs  
Attn: James Richardson  
Re: Quarantine Barn Slabs

Kingsbury Concrete Construction, Inc. estimates to furnish labor, materials, equipment, and supervision to complete the following work:

1. Excavate, form, and pour stall floor areas in Barn #16 and Barn #17 (24' X 50' and 24' X 60'). Furnish miniature excavator and skid steer to excavate 3"-4" of additional dirt in Barn #16. Load out on single axle and dispose of on site. Fine grade and compact areas with 3/8" minus limestone dust.
2. Removal of interior stall dividing walls by Churchill Downs.
3. New concrete to be #4000 PSI with fiber reinforcing over 6 mil vapor barrier. Provide expansion against block walls with joint sealant. Finish to be smooth trowel with a clear densifier sealer top coat. Slope new slabs 1/4" towards stall door opening for cleaning purposes. Total of 2,640 square feet in all.
4. Work to be completed in February. Provide winter protection.

**Total Price: \$29,340.00**



**TERMS: Progressive Monthly Billing-Net Due Upon Completion**

Kingsbury Concrete Construction, Inc. assures the best of quality and workmanship based on over fifty years of experience.

Kingsbury Concrete Construction, Inc. is not responsible for any unforeseen underground utilities, electrical, mechanical, contaminated soil or materials etc., or unknown subsoil conditions.

Kingsbury Concrete Construction, Inc. is not responsible for any surface damage due to the use of deicer agents or foreign chemicals or surface cracks due to unforeseen subsoil or slab movement.

Thank You,  
Kingsbury Concrete Constr., Inc.

X \_\_\_\_\_ Alan Kingsbury  
Signature of Acceptance President

If approved, CDRT will submit the invoices to the Kentucky Horse Racing Commission for reimbursement after the work has been completed.

Regards,



Mike Ziegler  
Executive Director, Racing  
Churchill Downs Incorporated  
600 N. Hurstbourne Parkway, Suite 400  
Louisville, KY 40222  
Office: (502) 394-1137

Attachment: Quote from Kingsbury Concrete Construction (dated January 23, 2019)

# CHURCHILL DOWNS

INCORPORATED

Marc A. Guilfoil - Executive Director  
Kentucky Horse Racing Commission  
4063 Ironworks Parkway, Building B  
Lexington, KY 40511  
[Marc.Guilfoil@ky.gov](mailto:Marc.Guilfoil@ky.gov)  
(859) 246-2040



Re: **Application for Approval of Backside Improvement Fund Project**

Dear Marc,

Churchill Downs Racetrack (CDRT) is requesting to use Backside Improvement Funds to repair or replace the roofs on Barns D, E, J, and K at our facility at 4520 Poplar Level Road. Here is the scope of work to be completed for each barn –

## **Barn D**

- Remove existing shingles, ridge caps, and ridge vents on leak area location
- Replace damaged plywood and inspect / replace any rotten or damaged rafters
- Install new roofing underlayment
- Install new shingles to match existing
- Install new ridge ventilation
- Install new ridge cap shingles to match existing

## **Barn E**

- Remove existing shingles, ridge caps, and ridge vents on leak area location
- Replace damaged plywood and inspect / replace any rotten or damaged rafters
- Install new roofing underlayment
- Install new shingles to match existing
- Install new ridge ventilation
- Install new ridge cap shingles to match existing

## **Barn J**

- Complete tear off and disposal of existing shingle roofs
- Inspect roof decking after tear off and replace any rotten or damaged wood
- Install new shingles, roofing underlayment, ridge ventilation, and aluminum drip edge, step, wall, and counter flashings

## **Barn K**

- Complete tear off and disposal of existing shingle roofs
- Inspect roof decking after tear off and replace any rotten or damaged wood
- Install new shingles, roofing underlayment, ridge ventilation, and aluminum drip edge, step, wall, and counter flashings

CDRT obtained three (bids) from the following companies (see attached proposal for scope and estimated cost) –

1. HKC Roofing and Construction – Estimate: \$88,075
2. American Roofing & Metal Co. (did not provide bid for Barn D and E) – Estimate: \$97,661
3. Commonwealth Roofing Corp. (did not provide bid for Barn D and E) – Estimate: \$108,001

CDRT has selected the lowest bid from HKC Roofing and Construction.

If approved, CDRT will submit the invoices to the Kentucky Horse Racing Commission for reimbursement after the work has been completed.

Regards,



Mike Ziegler  
Executive Director, Racing  
Churchill Downs Incorporated  
600 N. Hurstbourne Parkway, Suite 400  
Louisville, KY 40222  
Office: (502) 394-1137

Attachment(s):   HKC Roofing and Construction  
                          American Roofing & Metal Co.  
                          Commonwealth Roofing Corp.



5061 Poplar Level Rd \* Louisville KY 40219 \* Phone 502-212-1081 \* Fax 502-333-0366  
RoofYourHouse.com

**Date: January 28, 2019**

**Client: Churchill Downs Trackside**  
1360 Durrett Ln.  
Louisville, KY 40219

**Project Name: Shingle Roof Replacement – Barns J & K**

Based on specific project requirements, and as requested, we propose to furnish all necessary labor and material for the above project.

**Scope of Work:**

- Complete tear off and disposal of existing shingle roofs
- Inspect roof decking after tear off and replace as necessary any rotten or damaged wood. Replacement wood is an additional charge and as follows: 1x6-1x8 \$4ft, 1x10-1x12 \$5ft, 4x8 sheet of OSB \$40 or 4x8 sheet of plywood \$55. We will notify customer of any additional charges prior to moving forward with wood replacement.

**The following items are to be installed new:**

- CertainTeed Shingles – See options below
- CertainTeed Starter Shingles
- CertainTeed Hip/Ridge Shingles
- Synthetic roofing underlayment
- Lomanco ridge ventilation
- Aluminum pre-painted drip edge
- Aluminum step, wall, and counter flashings (firewalls)

**Included installation procedure:**

- Snap chalk lines on roof deck, valleys, rake lines, and ridges
- Spray paint all plumbing and HVAC stacks a matching color
- Clean and sweep project area for nails with high-power magnet
- All work will be performed at or above all manufacturers' specifications.
- All work will be performed per OSHA safety standards.

**Barn J -**

**CertainTeed XT25 3-tab Shingles 25-yr 60 mph winds - \$40,230.00**

**CertainTeed Landmark Dimensional Shingles 40-yr 130 mph winds - \$41,715.00**

**Barn K -**

**CertainTeed XT25 3-tab Shingles 25-yr 60 mph winds - \$42,480.00**

**CertainTeed Landmark Dimensional Shingles 40-yr 130 mph winds - \$44,460.00**

86,175  
Repair - Barn D+E  
1900  
88,075 ✓



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RoofYourHouse.com

**Payment Terms:** 30% down, remainder due upon completion of work. (Negotiable)

- Price is good for 30 days.
- Scope of work is limited to items specifically listed above.
- Acceptance of this proposal assumes that the contents and limitations listed herein will be considered as part of any written contract.

**Warranty:** HKC Roofing 5-year workmanship warranty. Manufacturer's warranty - see warranty brochure for specifications.

HKC ROOFING appreciates the opportunity to earn your business. If you have any questions regarding the information presented here, please feel free to contact Jason Hornung at 502-432-6557.

This agreement is subject to revision or withdrawal by HKC ROOFING until signed and accepted by client and executed by Officer of HKC ROOFING, LLC. This is the complete agreement between the two parties. No prior or contemporaneous oral agreement, and no other written agreements, except as listed above, shall be binding. The undersigned hereby accepts the agreement and agrees to be legally bound by all the terms and conditions set forth on the terms and conditions page. This agreement shall be governed in accordance with the laws of the state of KENTUCKY.

Shingle Color: \_\_\_\_\_

Client Signature: \_\_\_\_\_

Date: \_\_\_\_\_



5061 Poplar Level Rd \* Louisville KY 40219 \* Phone 502-212-1081 \* Fax 502-333-0366  
RoofYourHouse.com

**Date: January 28, 2019**

**Client: Churchill Downs Trackside  
1360 Durrett Ln.  
Louisville, KY 40219**

**Project Name: Shingle Roof Repairs – Barns D & E**

**Based on specific project requirements, and as requested, we propose to furnish all necessary labor and material for the above project.**

**Scope of Work:**

**Barn D –**

- Remove existing shingles, ridge caps, and ridge vents on leak area location approximately 4'x24'
- Replace damaged plywood (included in price) and inspect/replace any rotten or damaged rafters at an additional \$6.00 per foot replacement cost – added to final invoice
- Install new synthetic roofing underlayment
- Install new shingles to match existing as close as possible
- Install new ridge ventilation to match existing style
- Install new ridge cap shingles to match existing as close as possible

**Barn E –**

- Remove existing shingles, ridge caps, and ridge vents on leak area location approximately 15' at roofs' ridge line
- Replace damaged plywood (included in price) and inspect/replace any rotten or damaged rafters at an additional \$6.00 per foot replacement cost – added to final invoice
- Install new synthetic roofing underlayment
- Install new shingles to match existing as close as possible
- Install new ridge ventilation to match existing style
- Install new ridge cap shingles to match existing as close as possible
- All work will be performed at or above all manufacturers' specifications.
- All work will be performed per OSHA safety standards.

**Barn D Repair - \$1,250.00**

**Barn E Repair - \$650.00**

**Payment Terms: Due upon completion of work.**

- Price is good for 30 days.
- Scope of work is limited to items specifically listed above.
- Acceptance of this proposal assumes that the contents and limitations listed herein will be considered as part of any written contract.



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RoofYourHouse.com

**Warranty:** Repair work carries 1-year labor warranty. Please note- this is an attempt to fix current leaks. We cannot guarantee that these repairs solve all issues therefore if further work is required to correct the problems additional charges may apply.

HKC ROOFING appreciates the opportunity to earn your business. If you have any questions regarding the information presented here, please feel free to contact Jason Hornung at 502-432-6557.

This agreement is subject to revision or withdrawal by HKC ROOFING until signed and accepted by client and executed by Officer of HKC ROOFING, LLC. This is the complete agreement between the two parties. No prior or contemporaneous oral agreement, and no other written agreements, except as listed above, shall be binding. The undersigned hereby accepts the agreement and agrees to be legally bound by all the terms and conditions set forth on the terms and conditions page. This agreement shall be governed in accordance with the laws of the state of KENTUCKY.

Client Signature: \_\_\_\_\_

Date: \_\_\_\_\_



January 18, 2019



**AMERICAN  
ROOFING &  
METAL CO.**

*Building on 4 Generations of Experience Since 1914*



NATIONAL ROOFING  
CONTRACTORS ASSOCIATION  
**MEMBER**



**Churchill Downs Inc.**  
600 N. Hurstbourne Parkway  
Louisville, KY. 40222

**Attention: Nick Cravens**

**Re: Trackside-1360 Durrett Lane -- Re-roof Barn J & K building's with GAF Timberline HD lifetime shingle system. (Option for GAF Royal Sovereign 3-Tab shingle system).**

We propose to supply all needed equipment, materials and labor to accomplish the following:

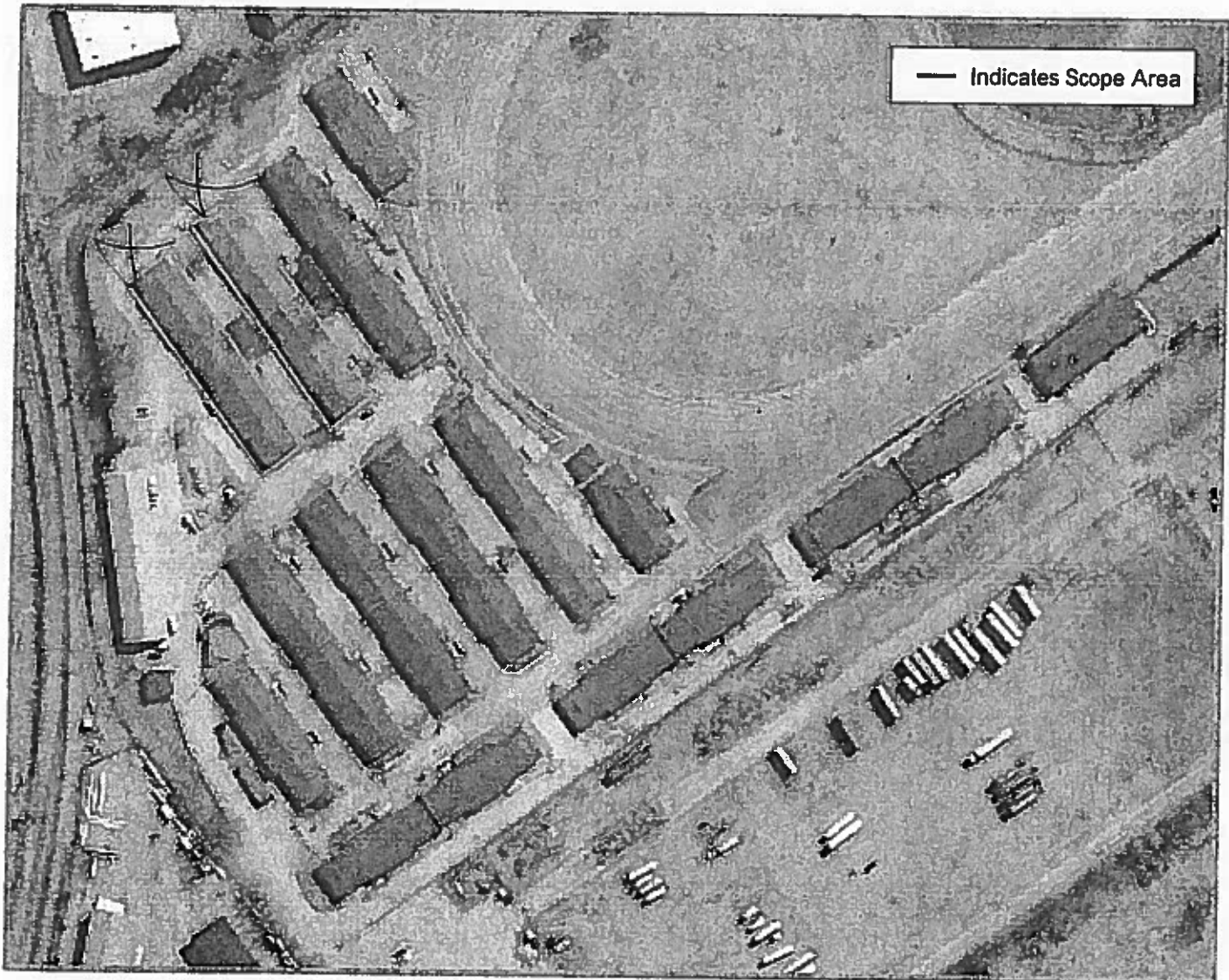
1. Follow all OSHA rules and guidelines for safety.
2. Remove all roof related materials, and haul away. A dump truck or trailer will remove all materials each day.
3. Thoroughly inspect all plywood decking and replace any rotten, (as needed). Fifteen (15) sheets allotted per building.
4. Install Rhino Synthetic Underlayment over existing roof deck.
5. Install Ice and Water Shield in areas where roof pitches change, in valleys, at joints at building additions, and at water stops behind chimneys.
6. Install Ice and Water Shield under metal flashings and counter flashings at every roof penetration.
7. Install pre-painted aluminum perimeter metal at eaves and gables.
8. Install GAF Starter Strip at eaves and gables.
9. Install GAF Timberline HD Lifetime Dimensional Shingle System per manufacturer's installation specifications. *(Color choice is to be selected by Management)*.
10. Fabricate and install aluminum metal flashing at chimney and walls. Base flashing will be stepped and will lace between each succeeding course of shingles. Head wall flashing to be tucked in behind existing siding or counter flashing. Counter flashing will cut into mortar joints and set using anchors and commercial grade urethane sealant.
11. Seal and reset all furnaces and stove vents.
12. Remove existing ventilation and install Ridge Vent System per manufacturer's ventilation specifications.
13. Install GAF Ridge Cap Shingles to all hips and ridges.
14. Clean gutters thoroughly upon completion.
15. Clean up all waste material from the premises on a daily basis.
16. American Roofing will protect all landscaped areas and will protect all outdoor furniture.
17. Magnets will be used to pick up nails both during and after the re-roofing process.
18. Additional safety *(if applicable)* will be in place such as caution tape and cones to protect residents and vehicle traffic.

97,661

INDUSTRIAL • COMMERCIAL • RESIDENTIAL • SHEET METAL WORK • ROOF MAINTENANCE  
KENTUCKY - INDIANA - OHIO  
Call Us Toll Free at (855) 671-ROOF or Visit Us at [www.AmericanRoofingOnline.com](http://www.AmericanRoofingOnline.com)

To ensure proper installation and protection during warranty, these conditions will be met:

1. Foreman of roofing crew will have completed Master Shingle Applicator training.
2. Workmanship to be in compliance with GAF Master Shingle Applicator training. All workmanship to conform to the requirements of GAF's warranty and installation instructions including ventilation requirements, fastener requirements, low slope installation and ice dam protection.
3. Contractor to be KRCA certified.
4. Contractor to provide written proof of Workers' compensation and \$1,000,000 liability insurance covering suppliers, employees and subcontractors employed by contractor upon request.
5. Contractor will guarantee all materials and workmanship to be free of defects for five (5) years commencing on the first day contractor starts removing shingles.



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KENTUCKY - INDIANA - OHIO  
Call Us Toll Free at (855) 671-ROOF or Visit Us at [www.AmericanRoofingOnline.com](http://www.AmericanRoofingOnline.com)

**General Notes:**

1. Additional rotten plywood, (more than the sheets covered above) will be replaced at \$2.25 per square foot. (Minimum of 16 square feet per section). This does not include anything structural. (Please initial that you acknowledge this). \_\_\_\_\_ Initials
2. No substitute for quality on materials and labor.
3. By signing this contract, the customer indicates that He or She has read and agrees to these conditions and understands this contract is binding and enforceable.
4. Satellite dish (if applicable), will need to be re-adjusted to pick up signal. This is the building owner's responsibility.
5. Payment terms: Payment in full is expected upon substantial completion. Invoices not paid within the 30 days will be assessed finance charges in the amount of 8% and will accumulate monthly until payment in full, including finance charges, has been received. (Please initial that you acknowledge this). \_\_\_\_\_ Initials
6. Bid is good for 30 days.

All the above work as outlined and as stated by Mr. Travis Goetz to be completed for the sum of **\$97,661.00**. This includes all applicable taxes and permits.

In addition to the warranty provided by American Roofing & Metal Co., Inc. by installing GAF Timberline HD Lifetime Dimensional Shingle System, a forty - (40) year material manufacturer's warranty is included with this contract. This warranty is transferable, the first twenty (20) years are non-prorated and pays for labor required to replace defective material.

Thank you for considering American Roofing & Metal Company, Inc.

Respectfully,  
American Roofing & Metal Company, Inc.



Travis Goetz  
Property Management Consultant  
Cell (502) 619-9026

Signature

Date



**Option #1:** We propose to complete all the work as stated above installing GAF Royal Sovereign 3-Tab shingle system in lieu of the Dimensional shingle system. If this option is accepted, please deduct \$3,615.00 from the proposal price above. (Color choice is to be selected by Management).

In addition to the warranty provided by American Roofing & Metal Co., Inc. by installing GAF Royal Sovereign 3-Tab Shingle System, a twenty - (20) year material manufacturer's warranty is included with this contract. This warranty is transferable, the first twenty (20) years are non-prorated and pays for labor required to replace defective material.

Option #1 Signature

Date

The Roofers<sup>SM</sup>

# Commonwealth Roofing Corp.

1449 Hugh Avenue  
Louisville, KY 40213  
(502) 459-2216  
[aj@commonwealthroofing.com](mailto:aj@commonwealthroofing.com)



## PROPOSAL

DATE Tuesday, October 9, 2018

CONTACT Mr. Nick Cravens  
ADDRESS

STRUCTURE Barn J  
LOCATION 1306 Durrett Lane. 40213  
PHONE (502) 299-7411 (office)  
SALES REP AJ Mendez

### Commonwealth Roofing Corp. is to furnish material and labor to:

- Remove and dispose of shingles from stable.
- Install RhinoRoof synthetic underlayment and enamel coated aluminum drip edge to roof surface.
- Install GAF Pro-Starter shingles to roof surface.
- Install GAF Royal Sovereign algae resistant shingles to roof surface.
- Install enamel coated aluminum flashings where necessary.
- Install shingle over ridge roof vents to roof surface.
- Install GAF Seal-A-Ridge hip and ridge shingles to roof surface.
- Clean up of our trade.

Priced as: \$51,137.00

### UPGRADE OPTION:

- Install GAF Timberline HD limited lifetime dimensional shingles in place of 3-tab shingles as above.

Add: \$1,753.00

NOTES: Rotted sheathing board replaced at an additional \$6.00 per lineal foot.  
Rotted plywood replaced at an additional \$60.00/ 4' x 8' sheet.

According to terms and conditions at the end which are part of this agreement, for the sum:

as above.

**50% DUE UPON MATERIALS DELIVERY.** Payments due in progress draws, balance due upon job completion.  
Workmanship guaranteed against leakage due to defects for a period of 5 years from date of completion concurrent with manufacturer's warranty.

This Proposal expires thirty (30) days after the date above if not earlier accepted, revised or withdrawn. The undersigned hereby accepts this Proposal and agrees that this writing, including the terms and conditions on the reverse side, shall constitute the contract.

This Proposal accepted by:

\_\_\_\_\_  
\_\_\_\_\_

Date \_\_\_\_\_

Commonwealth Roofing Corp.

AJ Mendez

Date Tuesday, October 9, 2018

108,001

## TERMS AND CONDITIONS

1. **Nature of Work.** Commonwealth Roofing Corp. (CRC) shall furnish the labor and material to perform the work described in this proposal. While CRC suggests solutions, it is not a licensed design firm and does not provide design, engineering, consulting or architectural services. It is the Customer's responsibility to retain a licensed architect, consultant, or engineer if required to determine proper design and code compliance. CRC assumes no responsibility for structural integrity, compliance with building, UL, FM or other codes, or other design criteria. If plans or specifications have been furnished to CRC, Customer warrants that they are sufficient and conform to applicable codes. CRC is not responsible for damage or expense due to defects in plans or specifications or building code violations unless such damage results from a deviation by CRC from the contract documents. Customer warrants all structures to be in sound condition capable of withstanding activities of roof equipment, personnel, and operations. CRC is not responsible for location of roof drains, adequacy of drainage or ponding on the roof. Clerical, grammatical, and typographical errors and omissions subject to correction consistent with the intent of this proposal.
2. **Asbestos and Toxic Materials.** Unless stated otherwise on the face of this proposal, this contract is based on the assumption that the work to be performed by CRC does not involve asbestos-containing or toxic materials and that such materials will not be encountered or disturbed during the course of performing the roofing work. CRC is not responsible for expenses, claims or damages arising out of the presence, disturbance or removal of asbestos-containing or toxic material. In the event that we become aware that such materials are encountered, CRC will stop work in the affected area and submit a change order to perform the necessary work for additional compensation. CRC shall be entitled to reasonable compensation for additional expenses incurred as a result of the presence of asbestos-containing or toxic materials.
3. **Insurance.** CRC shall carry worker's compensation, automobile liability and commercial general liability insurance and will furnish a Certificate of Insurance upon request. Customer shall maintain builder's risk and property insurance upon the full value of the Project, including the labor, material and equipment furnished by CRC, covering fire, wind, extended coverage, vandalism and theft to protect against loss or damage to material and equipment and partially completed work until the job is completed and accepted and CRC's equipment is removed.
4. **Payment.** Unless stated otherwise on the face of this proposal, Customer shall pay the contract price plus any additional charges for changed or extra work upon completion of the Work. If completion of the Work extends beyond one month, Customer shall make monthly progress payments by the fifth (5<sup>th</sup>) day of each month for the value of Work completed during the preceding month. All sums not paid in full when due shall earn interest at the rate of 1-1/2% per month. CRC shall be entitled to recover from Customer all costs of collection including filing and attorney's fees resulting from Customer's failure to make proper payment when due. Failure to make payment according to the terms of this agreement or acceptable revisions thereof shall void all warranties.
5. **Tolerances.** All materials and work shall be furnished in accordance with normal industry tolerances for color, variation, thickness, size, weight, amount, finish, texture, and performance standards. CRC is not responsible for the actual verification of technical specifications of product manufacturers; e.g. R-value or ASTM or UL compliance, but rather the materials used are represented as such by the material manufacturer. Specified quantities are approximate and intended to represent an approximation or an average over the entire roof area.
6. **Working Hours.** This Proposal is based upon commencement of the work within 180 days from contract signing and performance of all work during CRC's regular working hours. Extra charges will be made for overtime and all work performed other than during CRC's regular working hours if required by Customer.
7. **Availability of Site.** CRC shall be provided with direct access to the work site for the passage of trucks and materials and direct access to the roof. CRC shall not be required to begin work until underlying areas are ready to receive CRC's work and sufficient areas of roof deck and building are available and free from hazards, dirt, snow or debris to allow safe, continuous, full operation until job completion. The expense of any extra trips to the job as a result of the job not being ready for roof application after CRC has been notified to proceed will be charged as an extra. For time-and-materials extra work and service work, time is figured portal to portal.
8. **Changes in the Work and Extra Work.** Customer shall be entitled to order changes in the Work and the total contract price adjusted accordingly. Any penetrations through the roofing not shown on the plans provided to CRC prior to submittal of this proposal shall be considered an order for extra work, and CRC shall be compensated for costs incurred by CRC resulting from such additional penetrations. If unknown or concealed conditions requiring additional work are discovered during the course of performing the work, CRC shall bring these conditions to the Owner's attention and such additional work as may be required shall be performed as an extra on a time-and-materials basis. CRC reserves the right to revise this contract in the event of a sudden and inordinate increase in the cost of furnished materials.
9. **Warranty.** CRC's workmanship is guaranteed by CRC against leakage for the period of time specified on the face of this proposal. In the event that a warranted leak occurs at the place of CRC's work within this warranty period, the Customer shall notify CRC immediately and CRC will repair the leak at no cost to the Customer. CRC SHALL NOT BE LIABLE FOR SPECIAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES including, but not limited to, loss of profits, mold, or damages to the building or its contents. The acceptance of this proposal by the Customer signifies his agreement that this warranty shall be and is the exclusive remedy against CRC for all defects in workmanship furnished by CRC. A manufacturer's warranty shall be furnished to Customer if a manufacturer's warranty is called for on the face of this proposal. It is expressly agreed that in the event of any defects in the materials furnished under this contract, customer shall have recourse only against the manufacturer of such material under the terms and conditions of the manufacturer's warranty. This express manufacturer's warranty, if any, is the only warranty offered for the materials furnished under this contract. IT IS AGREED THAT THERE ARE NO OTHER EXPRESS OR IMPLIED WARRANTIES, INCLUDING AN IMPLIED WARRANTY OF MERCHANTABILITY OR AN IMPLIED WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE.
10. **Right to Stop Work.** The failure of Customer to make proper payment when due shall, in addition to all other rights, entitle CRC, at its discretion, to suspend all work, including furnishing warranty, until full payment is made. The time for CRC to perform the work shall be extended for a period equal to the period during which the Work was suspended, and the contract sum shall be increased by the amount of CRC's reasonable costs of shutdown, delay and start-up.
11. **Back Charges.** No back charges or claims for payment of services rendered or materials and equipment furnished by Customer to CRC shall be valid unless previously authorized in writing by CRC and unless written notice is given to CRC within ten (10) days of the event, act or omission which is the basis of the back charge.
12. **Damages and Delays.** CRC will not be responsible for damage to CRC's work by others. Any repairing of the same by CRC will be charged as an extra. CRC shall not be liable for damages resulting from a delay in completion of the Project. CRC shall not be responsible for loss, damage or delay caused by circumstances beyond its reasonable control, including but not limited to acts of God, accidents, fire, vandalism, strikes, jurisdictional disputes, transportation, shortage of or inability to obtain materials, equipment or labor; changes in the work and delays caused by others. In the event of these, CRC's time for performance under this proposal shall be extended for a time sufficient to permit completion of the Work. CRC shall not be liable for damage or adjustment to rooftop mechanical equipment, antennae, satellite receivers, gutter protection systems, skylights, or other building components or for jeopardizing the warranties thereof. CRC is not responsible for cleanup or repair of damage to attics, building spaces, or items stored in same caused by dust, deck material, chips, trapped moisture or other debris falling from the roof deck during and after our work, or for disruption to activities or damage to the building or its contents caused by the impact of materials and/or workers' activities on the premises. CRC is not responsible for repair of structure, lines, mechanical units, or other building components or contents damaged because they are not capable of sustaining our normal work activities.
13. **Arbitration.** If a dispute shall arise between CRC and Customer with respect to any matters or questions arising out of or relating to this Agreement or the breach thereof, such dispute shall be submitted to pre-dispute mediation administered by the Better Business Bureau in Louisville, Kentucky, or to pre-dispute arbitration administered by and in accordance with guidelines established by the Better Business Bureau unless the parties mutually agree otherwise. Any claim against CRC, including a claim alleging any breach of this contract or negligence by CRC, must be initiated no later than two (2) years after CRC completed work.



*The Roofers*  
**Commonwealth  
Roofing Corp.**

1449 Hugh Avenue  
Louisville, KY 40213  
(502)459-2216  
sl@commonwealthroofing.com



## PROPOSAL

DATE Friday, October 5, 2018

CONTACT Mr. Nick Cravens  
ADDRESS

STRUCTURE Barn K  
LOCATION 1360 Durrett Lane. 40213  
PHONE (502) 299-7411 (office)  
SALES REP AJ Mendez

**Commonwealth Roofing Corp. is to furnish material and labor to:**

- Remove and dispose of shingles from stable.
- Install RhinoRoof synthetic underlayment and enamel coated aluminum drip edge to roof surface.
- Install GAF Pro-Starter shingles to roof surface.
- Install GAF Royal Sovereign algae resistant shingles to roof surface.
- Install enamel coated aluminum flashings where necessary.
- Install shingle over ridge roof vents to roof surface.
- Install GAF Seal-A-Ridge hip and ridge shingles to roof surface.
- Clean up of our trade.

*Priced as: \$53,281.00*

**UPGRADE OPTION:**

- Install GAF Timberline HD algae resistant shingles in place of 3-tab shingles as above.

*ADD: \$1,830.00*

NOTES: Rotted sheathing board replaced at an additional \$6.00 per lineal foot.  
Rotted plywood replaced at an additional \$60.00/ 4' x 8' sheet.

According to terms and conditions at the end which are part of this agreement, for the sum:

as above.

**50% DUE UPON MATERIALS DELIVERY.** Payments due in progress draws, balance due upon job completion.  
Workmanship guaranteed against leakage due to defects for a period of 5 years from date of completion concurrent with manufacturer's warranty.

This Proposal expires thirty (30) days after the date above if not earlier accepted, revised or withdrawn. The undersigned hereby accepts this Proposal and agrees that this writing, including the terms and conditions on the reverse side, shall constitute the contract.

This Proposal accepted by:

\_\_\_\_\_  
\_\_\_\_\_

Date \_\_\_\_\_

Commonwealth Roofing Corp.

AJ Mendez

Date Friday, October 5, 2018



## TERMS AND CONDITIONS

1. **Nature of Work.** Commonwealth Roofing Corp. (CRC) shall furnish the labor and material to perform the work described in this proposal. While CRC suggests solutions, it is not a licensed design firm and does not provide design, engineering, consulting or architectural services. It is the Customer's responsibility to retain a licensed architect, consultant, or engineer if required to determine proper design and code compliance. CRC assumes no responsibility for structural integrity, compliance with building, UL, FM or other codes, or other design criteria. If plans or specifications have been furnished to CRC, Customer warrants that they are sufficient and conform to applicable codes. CRC is not responsible for damage or expense due to defects in plans or specifications or building code violations unless such damage results from a deviation by CRC from the contract documents. Customer warrants all structures to be in sound condition capable of withstanding activities of roof equipment, personnel, and operations. CRC is not responsible for location of roof drains, adequacy of drainage or ponding on the roof. Clerical, grammatical, and typographical errors and omissions subject to correction consistent with the intent of this proposal.
2. **Asbestos and Toxic Materials.** Unless stated otherwise on the face of this proposal, this contract is based on the assumption that the work to be performed by CRC does not involve asbestos-containing or toxic materials and that such materials will not be encountered or disturbed during the course of performing the roofing work. CRC is not responsible for expenses, claims or damages arising out of the presence, disturbance or removal of asbestos-containing or toxic material. In the event that we become aware that such materials are encountered, CRC will stop work in the affected area and submit a change order to perform the necessary work for additional compensation. CRC shall be entitled to reasonable compensation for additional expenses incurred as a result of the presence of asbestos-containing or toxic materials.
3. **Insurance.** CRC shall carry worker's compensation, automobile liability and commercial general liability insurance and will furnish a Certificate of Insurance upon request. Customer shall maintain builder's risk and property insurance upon the full value of the Project, including the labor, material and equipment furnished by CRC, covering fire, wind, extended coverage, vandalism and theft to protect against loss or damage to material and equipment and partially completed work until the job is completed and accepted and CRC's equipment is removed.
4. **Payment.** Unless stated otherwise on the face of this proposal, Customer shall pay the contract price plus any additional charges for changed or extra work upon completion of the Work. If completion of the Work extends beyond one month, Customer shall make monthly progress payments by the fifth (5<sup>th</sup>) day of each month for the value of Work completed during the preceding month. All sums not paid in full when due shall earn interest at the rate of 1-1/2% per month. CRC shall be entitled to recover from Customer all costs of collection including filing and attorney's fees resulting from Customer's failure to make proper payment when due. Failure to make payment according to the terms of this agreement or acceptable revisions thereof shall void all warranties.
5. **Tolerances.** All materials and work shall be furnished in accordance with normal industry tolerances for color, variation, thickness, size, weight, amount, finish, texture, and performance standards. CRC is not responsible for the actual verification of technical specifications of product manufacturers; e.g. R-value or ASTM or UL compliance, but rather the materials used are represented as such by the material manufacturer. Specified quantities are approximate and intended to represent an approximation or an average over the entire roof area.
6. **Working Hours.** This Proposal is based upon commencement of the work within 180 days from contract signing and performance of all work during CRC's regular working hours. Extra charges will be made for overtime and all work performed other than during CRC's regular working hours if required by Customer.
7. **Availability of Site.** CRC shall be provided with direct access to the work site for the passage of trucks and materials and direct access to the roof. CRC shall not be required to begin work until underlying areas are ready to receive CRC's work and sufficient areas of roof deck and building are available and free from hazards, dirt, snow or debris to allow safe, continuous, full operation until job completion. The expense of any extra trips to the job as a result of the job not being ready for roof application after CRC has been notified to proceed will be charged as an extra. For time-and-materials extra work and service work, time is figured portal to portal.
8. **Changes in the Work and Extra Work.** Customer shall be entitled to order changes in the Work and the total contract price adjusted accordingly. Any penetrations through the roofing not shown on the plans provided to CRC prior to submittal of this proposal shall be considered an order for extra work, and CRC shall be compensated for costs incurred by CRC resulting from such additional penetrations. If unknown or concealed conditions requiring additional work are discovered during the course of performing the work, CRC shall bring these conditions to the Owner's attention and such additional work as may be required shall be performed as an extra on a time-and-materials basis. CRC reserves the right to revise this contract in the event of a sudden and inordinate increase in the cost of furnished materials.
9. **Warranty.** CRC's workmanship is guaranteed by CRC against leakage for the period of time specified on the face of this proposal. In the event that a warranted leak occurs at the place of CRC's work within this warranty period, the Customer shall notify CRC immediately and CRC will repair the leak at no cost to the Customer. CRC SHALL NOT BE LIABLE FOR SPECIAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES including, but not limited to, loss of profits, mold, or damages to the building or its contents. The acceptance of this proposal by the Customer signifies his agreement that this warranty shall be and is the exclusive remedy against CRC for all defects in workmanship furnished by CRC. A manufacturer's warranty shall be furnished to Customer if a manufacturer's warranty is called for on the face of this proposal. It is expressly agreed that in the event of any defects in the materials furnished under this contract, customer shall have recourse only against the manufacturer of such material under the terms and conditions of the manufacturer's warranty. This express manufacturer's warranty, if any, is the only warranty offered for the materials furnished under this contract. IT IS AGREED THAT THERE ARE NO OTHER EXPRESS OR IMPLIED WARRANTIES, INCLUDING AN IMPLIED WARRANTY OF MERCHANTABILITY OR AN IMPLIED WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE.
10. **Right to Stop Work.** The failure of Customer to make proper payment when due shall, in addition to all other rights, entitle CRC, at its discretion, to suspend all work, including furnishing warranty, until full payment is made. The time for CRC to perform the work shall be extended for a period equal to the period during which the Work was suspended, and the contract sum shall be increased by the amount of CRC's reasonable costs of shutdown, delay and start-up.
11. **Back Charges.** No back charges or claims for payment of services rendered or materials and equipment furnished by Customer to CRC shall be valid unless previously authorized in writing by CRC and unless written notice is given to CRC within ten (10) days of the event, act or omission which is the basis of the back charge.
12. **Damages and Delays.** CRC will not be responsible for damage to CRC's work by others. Any repairing of the same by CRC will be charged as an extra. CRC shall not be liable for damages resulting from a delay in completion of the Project. CRC shall not be responsible for loss, damage or delay caused by circumstances beyond its reasonable control, including but not limited to acts of God, accidents, fire, vandalism, strikes, jurisdictional disputes, transportation, shortage of or inability to obtain materials, equipment or labor; changes in the work and delays caused by others. In the event of these, CRC's time for performance under this proposal shall be extended for a time sufficient to permit completion of the Work. CRC shall not be liable for damage or adjustment to rooftop mechanical equipment, antennae, satellite receivers, gutter protection systems, skylights, or other building components or for jeopardizing the warranties thereof. CRC is not responsible for cleanup or repair of damage to attics, building spaces, or items stored in same caused by dust, deck material, chips, trapped moisture or other debris falling from the roof deck during and after our work, or for disruption to activities or damage to the building or its contents caused by the impact of materials and/or workers' activities on the premises. CRC is not responsible for repair of structure, lines, mechanical units, or other building components or contents damaged because they are not capable of sustaining our normal work activities.
13. **Arbitration.** If a dispute shall arise between CRC and Customer with respect to any matters or questions arising out of or relating to this Agreement or the breach thereof, such dispute shall be submitted to pre-dispute mediation administered by the Better Business Bureau in Louisville, Kentucky, or to pre-dispute arbitration administered by and in accordance with guidelines established by the Better Business Bureau unless the parties mutually agree otherwise. Any claim against CRC, including a claim alleging any breach of this contract or negligence by CRC, must be initiated no later than two (2) years after CRC completed work.



MATTHEW G. BEVIN  
GOVERNOR

FRANKLIN S. KLING, JR.  
CHAIRMAN

DAVID A. DICKERSON  
SECRETARY

MARC A. GUILFOIL  
EXECUTIVE DIRECTOR

**PUBLIC PROTECTION CABINET**  
**KENTUCKY HORSE RACING COMMISSION**  
ESTABLISHED 1906  
4063 IRONWORKS PKWY, BLDG. B  
LEXINGTON, KENTUCKY 40511  
TELEPHONE: (859) 246-2040 FAX: (859) 246-2039  
WEBSITE: [HTTP://KHRC.KY.GOV](http://KHRC.KY.GOV)

**TO: ALL COMMISSION MEMBERS**  
**From: Jamie H. Eads, Deputy Executive Director,**  
**Director, Division of Incentives & Development**  
**Date: February 8, 2019**  
**Subject: Kentucky Horse Breeders' Incentive Fund: Period V applications**

---

On February 20, 2018, the Commission approved ten applicants for participation in the Kentucky Horse Breeders' Incentive Fund (KHBIF) for 2018. The approval was for one-year, rather than the usual three-years, because it is KHRC's intention to re-write the KHBIF regulation. Although language was drafted, it is not to the satisfaction of all interested parties and we (KHBIF) continue to work with the entities involved in drafting new language.

During 2018, KHBIF requested each applicant to supply an MS Excel file containing the horses that represented the number supplied on their initial application. This division reviewed the file to determine whether the horses were under 25 years of age, had a pedigree, and resided in Kentucky as shown by an owner address in Kentucky. Based on this review, the division arrived at a number that it could verify based on the information provided. After the review, KHBIF contacted each applicant and informed the applicant of the verified number. In each instance, the number initially supplied did not match the number the division was able to certify.

The number of horses of each applicant in the state under the age of 25 directly correlates to the total dollars allocated to the affiliate pursuant to 811 KAR 2:120 section 3(4), i.e., the more horses, the more funds.

This is a two-part request: First, I am seeking approval to adjust the numbers supplied in the initial application and presented to the Commission on February 20, 2018 to the number verified by KHBIF. The verified number will apply for points earned in 2018. Second, I am seeking an approval, denial or deferral for applications in 2019.

**Request I: Adjust the numbers supplied in the initial applications to the number of horses under 25 verified by KHBIF for points earned in 2018:**

Period V: 2018 points earned to be distributed in 2019. Estimated allocation: \$1M						
<u>Original Number Certified</u>	<u>KHBIF Verified Number</u>	<u>Verified minus Certified</u>	<u>Percent change</u>	<u>Breed</u>	<u>%</u>	<u>\$</u>
2,600	2,530	-70	-3%	Kentucky Appaloosa Owners Association, Inc.	2.36%	\$23,588
3,004	3,870	866	29%	Kentucky Arabian & Half Arabian Breeders Alliance	3.61%	\$36,082
5,442	5,249	-193	-4%	Kentucky Miniature Horse Breeders Club	4.89%	\$48,939
13,700	6,354	-7,346	-54%	Kentucky Mountain Saddle Horse Association of KY	5.92%	\$59,241
9,474	9,683	209	2%	Kentucky Paint Horse Club	8.80%	\$88,004
32,405	30,684	-1,721	-5%	Kentucky Quarter Horse Association	28.61%	\$286,082
9,294	8,970	-324	-3%	Kentucky Saddlebred Owners and Breeders Association	8.36%	\$83,632
32,925	32,416	-509	-2%	Kentucky Walking Horse Breeders Incentive Fund	30.22%	\$302,230
6,623	6,180	-443	-7%	Rocky Mountain Horse Association	5.76%	\$57,619
1,643	1,564	-79	-5%	South Central Hackney Association	1.46%	\$14,582
117,110	107,256	-9,854			100.00%	\$1,000,000

**COMMISSION ACTION**

\_\_\_\_\_ Approved

\_\_\_\_\_ Denied

\_\_\_\_\_ Deferred

**Request II: Approve, deny or defer participation in 2019 for applicants based on 811 KAR 2:215:**

**1) KENTUCKY APPALOOSA OWNERS ASSOCIATION (KApOA)**

***Application requirements:***

1. *Received in accordance with 811 KAR 2:120, section 2. Yes.*
2. *Award distribution plan & Scoring Method:*
  - a. 10% to stallion owners; 90% to owner. 100% of funds divided as follows: 25% to futurity, 25% to the open show programs; 25% to regional show programs and 25% to the trail program.
  - b. Saddle Log Program: (25%): winners are determined by total hours on the trail and judged trail rides.
  - c. Show Placing Points: Follow ApHC Rule 701
  - d. Points can be earned inside or outside of KY.
3. *Identity of the scoring body.*
  - a. KApOA Point Keeper Barbara Dixon & Mark McCauley, KApOA trail point keeper.
4. *Rules of contest. On file in the division.*
  - a. Kentucky-bred Appaloosa: stallion must stand in Kentucky and mare must foal in Kentucky.
5. *Letter from national breed registry*
  - a. *Certifying that the Kentucky affiliate (the applicant) is the recognized representative in Kentucky of that breed.* ApHC recognizes KApOA has the official Kentucky representative.
  - b. *Certifying the number of horses twenty-five (25) years of age and younger in the breed residing in Kentucky.* KHBIF verified 2,530 appaloosa's in Kentucky twenty-five years (25) of age and younger.
  - c. *The registry is a closed breed registry with pure traceable bloodlines.* ApHC verifies bloodline requirements and those characteristics must be met in order to be a registered Appaloosa.

**2) KENTUCKY ARABIAN & HALF-ARABIAN BREEDERS ALLIANCE (KAHABA)**

***Application requirements:***

1. *Received in accordance with 811 KAR 2:120, section 2. Yes.*
2. *Award distribution plan & scoring method.* Horses can earn money through the Participation Point Program, High Point Program, KAHABA Bonus Point Program and the KAHABA Production Class Program. Horses can also earn money in the Distance Division.
  - a. Participation Point Program: One participation point per horse show at any KY Association of Fairs & Horse Shows offering Arabian classes.
  - b. High Point Program: divisions are Sport Horse, English, Halter, Western, Hunter & Specialty. 1<sup>st</sup> place – 4<sup>th</sup> place are awarded points.
  - c. Bonus Point Program: Bonuses classes offered at AHA approved shows offer bonus points for finishing 1<sup>st</sup> – 4<sup>th</sup> place.
  - d. Production Points Program: Points are earned at approved production programs for horses finishing 1<sup>st</sup> – 4<sup>th</sup>.

- e. Distance Division: Includes Competitive Trail, Endurance, Ride and Tie and Mounted Orienteering. Points are earned according to AHA's online system and horses can only earn a maximum of 15 points in the Distance Division.
- 3. *Identity of the scoring body.* Arabian Horse Association and the Kentucky Fairs Horse Show Association.
- 4. *Rules of contest.* On file in the division.
  - a. Kentucky-bred: The mare must be bred & foaled in Kentucky. The foaling mare must reside in KY 90 days prior to foaling.
- 5. *Letter from national breed registry*
  - a. *Certifying that the Kentucky affiliate (the applicant) is the recognized representative in Kentucky of that breed.* AHA recognizes KAHABA as the representative in Kentucky.
  - b. *Certifying the number of horses twenty-five (25) years of age and younger in the breed residing in Kentucky.* KHBIF verified 3,870 registered AHA horses in Kentucky twenty-five (25) years of age and younger.
  - c. *The registry is a closed breed registry with pure traceable bloodlines.* AHA certifies the purebred Arabian and Half-Arabian registry is closed.

### **3) KENTUCKY MINIATURE HORSE BREEDERS (KMHB)**

#### **Application requirements:**

- 1. *Received in accordance with 811 KAR 2:120, section 2.* Yes.
- 2. *Award distribution plan & scoring method.* Points are earned & calculated according to the AMHA Rule book. KHBIF monies are divided 10% to stallion owner, 10% to breeder and 80% to the owner.
- 3. *Identity of the scoring body.* AMHA sanctioned shows judged by AMHA approved judges.
- 4. *Rules of contest.* On file in the division and available on website  
<http://www.kentuckyminiaturehorsebreeders.org/Rules.html>.
  - a. Kentucky bred: The horse must be conceived & foaled in KY, the mare must be bred in KY, returning to KY a minimum of 45 days prior to foaling and the stallion must stand in KY the entire breeding season.
- 5. *Letter from national breed registry*
  - a. *Certifying that the Kentucky affiliate (the applicant) is the recognized representative in Kentucky of that breed.* AMHA certifies KMHB is the official affiliate in Kentucky.
  - b. *Certifying the number of horses twenty-five (25) years of age and younger in the breed residing in Kentucky.* KHBIF verified 5,249 miniature horses in Kentucky twenty-five (25) years of age and younger.
  - c. *The registry is a closed breed registry with pure traceable bloodlines.* AMHA certifies the registry & stud book is closed effective December 31, 1987.

### **4) KENTUCKY MOUNTAIN SADDLE HORSE ASSOCIATION OF KENTUCKY (KMSHA-KY)**

#### **Application requirements:**

- 1. *Received in accordance with 811 KAR 2:120, section 2.* Yes.
- 2. *Award distribution plan & scoring method.* Points are earned by showing and placing 1<sup>st</sup> – 3<sup>rd</sup> at AA Sanctioned Horse Shows and the International Grand Championship. Horse must compete in at least one-half of the classes offered each year in order for the points to count. The funds are split 50% to Futurity and 50% to the 26 AA shows. Money is allocated 100% to the owner.
- 3. *Identity of the scoring body.* KMSHA is the official scoring body for the KMSHA-KY.



4. *Rules of contest.* On file with the division and available on [www.kmshaofky.com](http://www.kmshaofky.com).
  - a. Kentucky-bred: horses must foal in Kentucky, foaling mare must be bred to a KMSHA stallion & stallion must stand in Kentucky.
5. *Letter from national breed registry*
  - a. *Certifying that the Kentucky affiliate (the applicant) is the recognized representative in Kentucky of that breed:* KMSHA certifies KMSHA KY is the official affiliate in Kentucky for the Mountain Saddle.
  - b. *Certifying the number of horses twenty-five (25) years of age and younger in the breed residing in Kentucky.* KHBIF verified 6,354 KMSHA horses reside in Kentucky twenty-five years (25) of age and younger.
  - c. *The registry is a closed breed registry with pure traceable bloodlines.* KMSHA submitted a letter certifying KMSHA maintains a closed breed registry.

**5) KENTUCKY PAINT HORSE CLUB (KPHC)**

**Application requirements:**

1. *Received in accordance with 811 KAR 2:120, section 2.* Yes.
2. *Award distribution plan & scoring method.* Points earned through APHA Race & Show performance. KHBIF monies will be distributed 70% to the owner, 15% to the breeder and 15% to the stallion owner.
3. *Identity of the scoring body.* APHC & KPHC will be responsible for allocating points.
4. *Rules of contest.* On file in the division and available on the website [http://kyphc.org/sites/default/files/KentuckyPaintHorseIncentiveFundProgram2009\\_0.pdf](http://kyphc.org/sites/default/files/KentuckyPaintHorseIncentiveFundProgram2009_0.pdf).
  - a. Kentucky bred: Horse must be result of mare that foaled in KY and sire stood in KY for entire breeding season.
5. *Letter from national breed registry*
  - a. *Certifying that the Kentucky affiliate (the applicant) is the recognized representative in Kentucky of that breed.* APHA certifies KPHC is the official affiliate in Kentucky.
  - b. *Certifying the number of horses twenty-five (25) years of age and younger in the breed residing in Kentucky.* KHBIF certified 9,439 Paint horses twenty-five (25) years of age and younger in Kentucky.
  - c. *The registry is a closed breed registry with pure traceable bloodlines.* APHA certifies the registry is closed with strict breed restrictions only accepting Paint, Quarter Horse and Thoroughbred bloodlines.

**6) KENTUCKY QUARTER HORSE ASSOCIATION (KyQHA)**

**Application requirements:**

1. *Received in accordance with 811 KAR 2:120, section 2.* Yes.
2. *Award distribution plan & scoring method.* Points earned at AQHA approved events and divided 70% to the owner, 15% to the breeder and 15% to the stallion owner.
3. *Identity of the scoring body.* AHQA
4. *Rules of contest.* On file with the division and available on the website [http://kyqha.com/pages/breeders\\_incentive/rules.php](http://kyqha.com/pages/breeders_incentive/rules.php).
  - a. Kentucky bred: The horse must conceive and foal in KY. The sire must have stood the entire breeding season in KY. A licensed Kentucky veterinarian must inspect each foal within 72 hours of foaling and the owner must submit a "Foaling Verification/Registration Form" to the KyQHA-BIF.
5. *Letter from national breed registry*





- a. *Certifying that the Kentucky affiliate (the applicant) is the recognized representative in Kentucky of that breed.* AQHA certifies KyQHA is the official Kentucky affiliate of AQHA.
- b. *Certifying the number of horses in the breed residing in Kentucky twenty-five years and younger.* KHBIF verified 30,684 quarter horses in Kentucky 25 years or younger.
- c. *The registry is a closed breed registry with pure traceable bloodlines.* AQHA certifies the registry is based upon pedigree and bloodlines. Registered horses must have at least one quarter horse parent to qualify the other parent can be quarter horse or thoroughbred.

#### **7) KENTUCKY SADDLEBRED OWNERS & BREEDERS ASSOCIATION (KSOBA)**

##### **Application requirements:**

1. *Received in accordance with 811 KAR 2:120, section 2.* Yes.
2. *Award distribution plan & scoring method.* Added prize money for the top three highest placed Kentucky-breds in each division at the World's Championship Horse Show in Louisville, Kentucky. Added prize money to top three highest placed Kentucky-breds in each division at the Bluegrass Futurity weanling division held at the Kentucky Horse Park. Money will be divided 70% to breeder and 30% to stallion owner.
3. *Identity of the scoring body.* KSOBA; judged in accordance with the rules of the USEF and the American Saddlebred Registry.
4. *Rules of contest.* On file in the division and available on website <http://www.asha.net/ksoba-rr>.
  - a. Kentucky-bred: Horse must foal in KY, sire standing in KY at time of service; owner of dam must be a KY resident.
5. *Letter from national breed registry*
  - a. *Certifying that the Kentucky affiliate (the applicant) is the recognized representative in Kentucky of that breed.* ASHA recognizes the Kentucky Saddlebred Owners and Breeders Association as their Kentucky affiliate for administering the Kentucky Horse breeders Incentive Fund for the American Saddlebred.
  - b. *Certifying the number of horses in the breed residing in Kentucky twenty-five years and younger.* KHBIF verified 8,970 Saddlebreds in Kentucky 25 years of age or younger.
  - c. *The registry is a closed breed registry with pure traceable bloodlines.* ASHA certifies the registry is closed and in order to be registered the horse must be pure American Saddlebred blood and must qualify by DNA testing.

#### **8) KENTUCKY WALKING HORSE ASSOCIATION (KWH-BIF)**

##### **Application requirements:**

1. *Received in accordance with 811 KAR 2:120, section 2.* Yes.
2. *Award distribution plan & scoring method.* KWH-BIF eligible shows are listed on their website. Points are awarded every time a qualified horse shows in a halter class (1 point) and under saddle (2 points). Any owner receiving a Horse Protection Violation forfeits entire earnings for year. KHBIF monies are distributed 60% to owner, 10% to sire owner, 25% to mare owner and 5% reserved for Breeders' Incentive Horse Show.
3. *Identity of the scoring body.* Only shows affiliated with FOSH, IWHA, NWH or WHOA.
4. *Rules of contest.* On file in the division and available on website <http://kwhbif.com/forms/Requirements.pdf>.
  - a. Kentucky-bred: Horse foaled in Kentucky, dam must be in Kentucky 45 days prior to foaling and sire must stand in Kentucky during the breeding year.
5. *Letter from national breed registry*



- a. *Certifying that the Kentucky affiliate (the applicant) is the recognized representative in Kentucky of that breed:* TWHBEA recognizes KWHBIF as the official representative in Kentucky.
- b. *Certifying the number of horses in the breed residing in Kentucky twenty-five years and younger.* KHBIF verified 32,416 registered Tennessee Walking horses in Kentucky 25 years of age or younger.
- c. *The registry is a closed breed registry with pure traceable bloodlines.* TWHBEA certifies the registry is closed.

**9) ROCKY MOUNTAIN HORSE KENTUCKY BREEDERS ASSOCIATION (RMHKBA)**

**Application requirements:**

1. *Received in accordance with 811 KAR 2:120, section 2.* Yes.
2. *Award distribution plan & scoring method.* Points are allocated to participation points, placement points in RMHA shows (A, B or C) and placement points in sanctioned RMHA non-show events (ACTHA, AOC, CTC & designated versatility events). KHBIF monies will be allocated 80% to the foal owner, 10% to stallion owner & 10% to mare owner. Points can be earned at events inside and outside KY.
3. *Identity of the scoring body.* A, B & C sanctioned events will be judged according to the RMHA Rule Book. All Trail & Versatility events will be judged by the sanctioning body of that event.
4. *Rules of contest.* On file with the division and available on the website [http://www.rmhorse.com/laws\\_rules.html](http://www.rmhorse.com/laws_rules.html).
  - a. Kentucky-bred: Horse conceived and foaled in KY; mare must reside in KY at least 45 days prior to giving birth and sire must have stood the breeding season in KY.
5. *Letter from national breed registry*
  - a. *Certifying that the Kentucky affiliate (the applicant) is the recognized representative in Kentucky of that breed.* RMHA certifies RMHKBA is the only recognized affiliate in Kentucky.
  - b. *Certifying the number of horses twenty-five (25) years of age and younger in the breed residing in Kentucky.* KHBIF verified 6,180 Rocky Mountain horses twenty-five (25) years of age and younger in Kentucky.
  - c. *The registry is a closed breed registry with pure traceable bloodlines.* RMHA certifies the registry is closed and in order to be registered the horse must show proof both the sire and dam are registered & certified Rocky Mountain horses.

**10) KENTUCKY SOUTH CENTRAL HACKNEY ASSOCIATION (SCHA)**

**Application requirements:**

1. *Received in accordance with 811 KAR 2:120, section 2.* Yes.
2. *Award distribution plan & scoring method.* Kentucky-breds winning or placing in the 10 classes offered annually at the SCHA Futurity Show held at the Alexandria Fair and Horse Show on Labor Day Weekend. Monies are divided 60% to first place with 40% of that going to the owner and 10% to the mare owner and 10% to the stallion owner; and 40% to second place with 20% going of that going to the owner and 10% to the mare owner and 10% to the stallion owner.
3. *Identity of the scoring body.* SCHA official hired by show manager.
4. *Rules of contest.* On file in the division and available on the website <http://southcentralhackney.com/KBIF.htm>.
  - a. Kentucky-bred: ponies by stallions standing in Kentucky at time of breeding; mares must foal in Kentucky.

5. *Letter from national breed registry*

- a. *Certifying that the Kentucky affiliate (the applicant) is the recognized representative in Kentucky of that breed:* AHHS recognizes SCHA as the official representative in Kentucky.
- d. *Certifying the number of horses in the breed residing in Kentucky twenty-five years and younger.* KHBIF verified 1,564 hackneys in Kentucky 25 years of age or younger.
- b. *The registry is a closed breed registry with pure traceable bloodlines:* The American Hackney Horse Society confirms the registry is closed.

The KHBIF recommends approval for calendar year 2019 for the following 9 applicants:

- Kentucky Appaloosa Owners Association, Inc.
- Kentucky Arabian & Half Arabian Breeders Alliance
- Kentucky Miniature Horse Breeders Club
- Kentucky Paint Horse Club
- Kentucky Quarter Horse Association
- Kentucky Saddlebred Owners and Breeders Association
- Kentucky Walking Horse Breeders Incentive Fund
- Rocky Mountain Horse Association; and
- South Central Hackney Association.

**COMMISSION ACTION**

\_\_\_\_\_ Approved

\_\_\_\_\_ Denied

\_\_\_\_\_ Deferred

The KHBIF recommends denial for calendar year 2019 for the applicant, Kentucky Mountain Saddle Horse Association of Kentucky. The recommendation is based on the fact that the original number certified by KMSHA was 115% more than the number verified by the KHBIF. The number certified in their application was 13,700 KMSHA horses residing in KY and under the age of 25.

The Excel file supplied in July 2018 listed 12,244 KMSHA horses as being under 25 and residing in Kentucky. But the Excel file included duplications, unknown pedigrees, unknown birthdates, addresses outside KY and missing registration numbers. Based on this information, KHBIF could verify only 6,351 horses as being under 25, living in Kentucky, and having the proper pedigree.

The KHBIF contacted KMSHA on January 29, 2019 notifying KMSHA of the verified number (6,351). KMSHA stated its online database and website were hacked in early September and asked to re-submit. On February 4, 2019, KMSHA submitted a MS Excel file listing 6,588 horses. This file also included duplications, unknown pedigrees, and addresses outside Kentucky. KHBIF was able to verify 6,354 registrations of horses under 25 and residing in Kentucky based on the MS Excel file provided February 4, 2019.

KHBIF requested KMSHA submit documentation supporting or verifying the system hack and that documentation follows. Although the documentation supports a potential hack on the database in September 2018, it does not answer why KMSHA's original number certified in 2017 more than doubled the number of horses that could be verified by the spreadsheets submitted in July 2018 and February 2019. For these reasons, KHBIF recommends denying KMSHA participation in 2019.

Pursuant to 811 KAR 2:215, section 6 (1) (a): *The commission may deny or revoke the registration of a Kentucky affiliate or national breed organization if the Kentucky affiliate or national breed organization knowingly provides the commission with incorrect, false, or misleading information concerning any aspect of the registration of the breed represented by the Kentucky affiliate with the commission.*

**COMMISSION ACTION**

_____	Approved
_____	Denied
_____	Deferred



MATTHEW G. BEVIN  
GOVERNOR

FRANKLIN S. KLING, JR.  
CHAIRMAN

K. GAIL RUSSELL  
ACTING SECRETARY

MARC A. GUILFOIL  
EXECUTIVE DIRECTOR

**PUBLIC PROTECTION CABINET**  
**KENTUCKY HORSE RACING COMMISSION**  
**ESTABLISHED 1906**  
4063 IRONWORKS PKWY, BLDG. B  
LEXINGTON, KENTUCKY 40511  
TELEPHONE: (859) 246-2040 FAX: (859) 246-2039  
WEBSITE: [HTTP://KHRC.KY.GOV](http://khrc.ky.gov)

**To:** Kentucky Horse Racing Commission

**From:** Steve May, Director of Pari-Mutuel Wagering and Compliance

**Date:** February 11, 2019

**Re:** Ratification of Executive Director Approval of Extended Hours at Derby City Gaming

---

On December 19, 2018, the Kentucky Horse Racing Commission ("KHRC") received a request to amend the operational hours of the Historical Horse Racing designated area on the premises of the Churchill Downs' Derby City Gaming ("DCG") location starting December 26, 2018. In the letter, DCG requested an extension of the normal operational hours at the facility by 5 hours per week. KHRC staff reviewed the request and all applicable Kentucky statutes and regulations, and after completing the review made a recommendation to the Executive Director to approve the request.

The request received on December 19, 2019 also included the holiday schedule for DCG for the remainder of 2108 and for all of 2019, which includes extended operational hours on most major holidays.

On December 21, 2019, Executive Director Guilfoil approved the requested amendments to the operational hours at DCG. Since this request was an amendment to the normal operational hours approved by the KHRC, KHRC staff felt it was appropriate to bring the item to the full commission for ratification of the approval.

Included in the following pages are the December 19, 2018 request from Tim Bryant, General Manager at DCG, and the KHRC staff memorandum explaining the request.



KHRC staff recommends ratifying the approval of Executive Director Guilfoil.

**COMMISSION ACTION**

\_\_\_\_\_ **Approved**

\_\_\_\_\_ **Denied**

\_\_\_\_\_ **Deferred**



Tim Bryant  
Derby City Gaming, LLC  
4520 Poplar Level Rd  
Louisville, KY 40213  
Tim.Bryant@derbycitygaming.com  
502-961-7601

December 19, 2018

Mr. Marc A. Guilfoil  
Executive Director  
Kentucky Horse Racing Commission  
4063 Iron Works Parkway, Bldg. B  
Lexington, KY 40511

**RE: Request for Kentucky Horse Racing Commission Approval of Revised  
Operating Hours the Derby City Gaming Historical Horse Racing Facility.**

Dear Mr. Guilfoil:

As you know, on July 17, 2018 and August 21, 2018, the Kentucky Horse Racing Commission ("Commission") approved Churchill Downs Racetrack, by and through its wholly owned subsidiary Derby City Gaming, LLC, to offer exotic wagers on historical horse races at our Derby City Gaming location at 4520 Poplar Level Road, Louisville, KY 40213 (previously referred to as Trackside). In accordance with 810 KAR 1:120 (4) (1) (c), Derby City Gaming included anticipated hours of operation.

Based on business volumes we have experienced, we would like to make the following revisions to our previously approved hours of operation.

	Open	Close	Hours
Monday	9 a.m.	<del>2 a.m.</del> 3 a.m.	<del>47</del> 18
Tuesday	9 a.m.	<del>2 a.m.</del> 3 a.m.	<del>47</del> 18
Wednesday	9 a.m.	<del>2 a.m.</del> 3 a.m.	<del>47</del> 18
Thursday	9 a.m.	<del>2 a.m.</del> 3 a.m.	<del>47</del> 18
Friday	9 a.m.	9 a.m.	24
Saturday	9 a.m.	9 a.m.	24
Sunday	9 a.m.	<del>2 a.m.</del> 3 a.m.	<del>47</del> 18
Total hours			<del>433</del> 138

We would like these changes to go into place effective December 26, 2018.

Furthermore, we would like to request revised hours of operation on the following days in December 2018 and throughout the 2019 Calendar Year:

	Open	Close	Hours
Christmas Eve - Dec 24, 2018	9 a.m.	12 a.m.	15
Christmas Day - Dec 25, 2018	12 p.m.	5 a.m.	17
Dec 26 <sup>th</sup> , Dec 27 <sup>th</sup> & Dec 30 <sup>th</sup> 2018	9 a.m.	5 a.m.	20
New Year's Eve - Dec 31, 2018	9 a.m.	9 a.m.	24
*MLK Day - Jan 20, 2019	9 a.m.	9 a.m.	24
President's Day - Feb 17, 2019	9 a.m.	9 a.m.	24
*Memorial Day - May 26, 2019	9 a.m.	9 a.m.	24
July 3, 2019	9 a.m.	5 a.m.	20
Independence Day - July 4, 2019	9 a.m.	9 a.m.	24
*Labor Day - Sep 1, 2019	9 a.m.	9 a.m.	24
*Columbus Day - Oct 13, 2019	9 a.m.	9 a.m.	24
*Veteran's Day - Nov 10, 2019	9 a.m.	9 a.m.	24
Thanksgiving - Nov 28, 2019	12 p.m.	9 a.m.	21

\* Day listed is actually Sunday's gaming day rolling into the Monday Holiday

Thank you in advance for your consideration of this request to revise operating hours.

Sincerely,



Tim Bryant  
President & General Manager – Derby City Gaming

cc: Steve May, KHRC  
Justin Paul



MATTHEW G. BEVIN  
GOVERNOR

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CHAIRMAN

K. GAIL RUSSELL  
ACTING SECRETARY

MARC A. GUILFOIL  
EXECUTIVE DIRECTOR

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WEBSITE: [HTTP://KHRC.KY.GOV](http://khrc.ky.gov)

**To:** Kentucky Horse Racing Commission

**From:** Steve May, Director of Pari-Mutuel Wagering and Compliance

**Date:** February 11, 2019

**Re:** Ratification of Executive Director Approval of Extended Hours at Kentucky Downs

---

On December 17, 2018, the Kentucky Horse Racing Commission ("KHRC") received a request to amend the operational hours of the Historical Horse Racing designated area located on the premises of Kentucky Downs ("KD") starting January 1, 2019. In the letter, KD requested an extension of the normal operational hours at the facility. During the hours requested, KD proposed to operate continuously on Friday mornings from 9:00 a.m. CST/CDT through Monday morning at 3:00 a.m. CST/CDT. This would affect all weekends from the date of the approval.

KHRC staff reviewed the request and all applicable Kentucky statutes and regulations, and after completing the review made a recommendation to the Executive Director to approve the request. This recommendation was partially based on the fact that the commission has previously approved a similar operational schedule at Derby City Gaming.

On December 21, 2019, Executive Director Guilfoil approved the requested amendments to the operational hours at KD. Since this request was an amendment to the normal operational hours approved by the KHRC, KHRC staff felt it was appropriate to bring the item to the full commission for ratification of the approval.

Included in the following pages are the December 17, 2018 request from Ted Nicholson, Senior Vice President and General Manager at Kentucky Downs, and the KHRC staff memorandum explaining the request.



KHRC staff recommends ratifying the approval of Executive Director Guilfoil.

**COMMISSION ACTION**

\_\_\_\_\_ **Approved**

\_\_\_\_\_ **Denied**

\_\_\_\_\_ **Deferred**





5629 Nashville Road  
Franklin, Kentucky 42134

270-586-7778

[KentuckyDowns.com](http://KentuckyDowns.com)

December 17, 2018

**Steve May**  
**Pari-Mutuel Wagering & Compliance Supervisor**  
**Kentucky Horse Racing Commission**  
**4603 Iron Works Parkway, Building B**  
**Lexington, KY 40511**

Dear Steve,

We are writing you at this time to inform you that Kentucky Downs would like to amend its hours of operations starting on January 1<sup>st</sup> 2019.

The new hours would be:

- Monday to Thursday from 9am to 3am
- Then we would be opening on Friday at 9am and we will stay open thru Monday 3am – Friday and Saturday will be a 24-hour operation.
- For the purpose of this request, "a gaming day" will be considered from 9am to 3am.

Because of this our money collection and count procedure might need some modifications as they will have to be done by zone and during opening hours. We are working on developing the best and most secure procedure for this change.

Sincerely,

A handwritten signature in black ink, appearing to read "Ted Nicholson", is written over the word "Sincerely,".

**Ted Nicholson**  
**Senior Vice-President and General Manager**



MATTHEW G. BEVIN  
GOVERNOR

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WEBSITE: [HTTP://KHRC.KY.GOV](http://KHRC.KY.GOV)

**To:** Kentucky Horse Racing Commission

**From:** Steve May, Director of Pari-Mutuel Wagering and Compliance

**Date:** February 13, 2019

**Re:** Request submitted by Keeneland/Red Mile to offer additional PariMAX historical horse racing exotic wagering pools and updated PariMAX software

---

Keeneland/Red Mile ("KRM") has submitted a request to offer PariMAX Version 3.14 pari-mutuel system exotic wagering pools. KRM currently has 902 historic horse racing terminals, of which approximately 615 terminals are currently using the PariMAX system. If the new exotic wagering pool is approved, KRM will be required to submit an exact floor layout and a list of the terminals that will offer wagering on the PariMAX Version 3.14 for KHRC staff review and approval.

The PariMAX system is operated by PariMAX Holdings, LLC ("PariMAX"), a division of AmTote International, LLC ("AmTote"). AmTote is currently one of the providers of historical horse racing pools at KRM. PariMAX currently offers similar exotic wagering pools in Oregon and Wyoming. Prior to KRM submitting this request, PariMAX Version 3.14 underwent testing at Gaming Laboratories International ("GLI"), one of the independent, third-part testing laboratories under contract with the KHRC.

GLI has reviewed PariMAX Version 3.14 and affirms that the system complies with applicable Kentucky statutes and regulations. The GLI report for PariMAX Version 3.14, as well as Versions 3.13 and 3.13.1, will be sent to all commissioners prior to the meeting for review.

If approved by the KHRC, KRM and PariMAX staff will transition the affected wagering terminals to the appropriate wagering pools in a secure manner and with guidance from KHRC staff.



PariMAX Version 3.13, 3.13.1, and 3.14 includes the following updates to the PariMAX wagering system:

- Two new game themes, "Aphrodite's Favor" and "Cowboy Wilds", both of which utilize the previously tested "P6.P3P5\_Plus.P2P5\_Plus" wager profile **(3.13)**.
- One new game theme, "Alchemist's Jackpot" which utilizes the previously tested "WQETS.P2-6" wager profile **(3.13)**.
- An option was added to allow terminals to automatically go back into service when all terminal doors are closed **(3.13)**.
- An update was made to place terminals out of service automatically when certain peripheral errors are encountered **(3.13)**.
- The out of service graphic has been updated to include specific error messages and to be more conspicuous **(3.13)**.
- The "Jackpot Blaze" game theme has been discontinued and replaced with the "Cosmic Boost" game theme **(3.13.1)**.
- Help screens in the "Zeus: Lightning Strike", "Cosmic Boost", "Splendor of the Sphinx", "Cash Craze", "Aphrodite's Favor" and "Cowboy Wilds" game themes have been updated to better inform the player how their total wager is being split into wager groups. Each wager group is now listed along with its wager amount, associated pool(s), associated race(s) and minimum payout **(3.14)**.
- The \$0.10 denomination configuration of the "Cash Craze" game theme has been discontinued **(3.14)**.
- The r\_proof\_contest report available on the Totalizator System has been updated to include additional data related to the wager groups into which players' wagers will be split for the game themes that utilize the "P6.P3P5\_Plus.P2P5\_Plus" and "2xP2P6+\_P3-6" wager profiles **(3.14)**.

In addition, PariMAX Version 3.14 includes one new pari-mutuel wagering profile known as P6.P3P5\_Plus.P2P5\_Plus\_QPP. KRM is requesting authorization of this pari-mutuel wagering pool as well as the associated entertaining game theme listed below:

<b>P6.P3P5_Plus.P2P5_Plus_QPP</b>
The Great Jackpot

KHRC staff performed on-site testing of this new pool on February 5, 2019 at KRM. The testing was conducted to ensure that the pool functioned as described and that the payouts complied with the documentation provided to the KHRC and to GLI. PariMAX Version 3.14 has also` been operating in Alabama and Oregon without any problems and is expected to be deployed to Wyoming the week of February 18, 2019.

KHRC staff recommends approval of the Keeneland/Red Mile request to authorize PariMAX Version 3.14 and the exotic wagering pools and entertaining game themes associated with Version 3.14 with the following conditions:

- 1) The “Higher Jackpot” option for all PariMAX wager profiles shall not be implemented without prior written approval of the Kentucky Horse Racing Commission.
- 2) The configurable options listed above shall not be implemented without prior written approval of the Kentucky Horse Racing Commission.

**COMMISSION ACTION**

\_\_\_\_\_ **Approved**

\_\_\_\_\_ **Denied**

\_\_\_\_\_ **Deferred**



KRM Wagering, LLC

January 24, 2019

Mr. Marc Guilfoil, Executive Director  
Kentucky Horse Racing Commission  
4063 Ironworks Pkwy, Building B  
Lexington, KY 40511

Dear Mr Guilfoil:

KRM Wagering would like to request approval for the following Parimax/Amtote products at the upcoming October commission meeting:

- Release 3.13, which includes three new themes and related updates to the terminals on previously approved wager profiles, as follows: Alchemist's Jackpot on WP-WQETS.P2-6; Aphrodite's Favor and Cowboy Wilds on WP-P6,P3P5\_PLUS.P2P5\_PLUS.
- Release 3.13.1 which includes a reskinning of previously approved Jackpot Blaze into Cosmic Boost.
- Release 3.14 which includes one new theme, The Great Jackpot, based on a new wager profile WP-P6.P3P5\_PLUS.P2P5\_PLUS\_QPP. This release also includes additional an additional help page for Aphrodite's Favor and Cowboy Wilds.

It is my understanding that you have received GLI reports on the above. I have attached the Amtote release notes, game/theme specifications, and wager profiles where new. Please let me know if additional information is needed regarding this request.

Sincerely,

A blue ink handwritten signature, appearing to be "Shannon M. Cobb".

Shannon M. Cobb  
Chief Operating and Financial Officer

Cc: Steve May  
Vince Gabbert  
Joe Costa





MATTHEW G. BEVIN  
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**To:** Kentucky Horse Racing Commission

**From:** Steve May, Director of Pari-Mutuel Wagering and Compliance

**Date:** February 13, 2019

**Re:** Ratification of KHRC Staff Approval of Updates to Ainsworth Game Technology Historical Horse Racing Pari-Mutuel Pool Changes

---

On Monday, October 15, 2018, it was discovered that the Ainsworth Game Technology ("AGT") Historical Horse Racing pari-mutuel wagering system was utilizing races that included horses that had been scratched. Using such races does not comply with the Kentucky Horse Racing Commission ("KHRC") definition of "historical horse race", which is as follows:

*810 KAR 1:001*

*(30) "Historical horse race" means any horse race that:*

- (a) Was previously run at a licensed pari-mutuel facility located in the United States;*
- (b) Concluded with official results; and*
- (c) Concluded without scratches, disqualifications, or dead-heat finishes.*

Upon notification of the non-compliant status of the race database, Churchill Downs, Inc. ("CDI") and AGT personnel immediately began work to update the system to eliminate races in which horses had been scratched. This work is still ongoing, as is the investigation by the KHRC into the problem.

AGT completed the update on one pari-mutuel pool which used the Pac Man Wilds entertaining game theme in December, 2018, and on December 12, 2018, the KHRC voted to approve the updated pari-mutuel wagering pool. At that time, the KHRC also voted to grant Executive Director Guilfoil the authority to approve updates to AGT pari-mutuel wagering pools related to the removal of races in which horses had been scratched. This authority was granted under the condition that the approvals come before the full commission for ratification at a future meeting.



BMM Testlabs (“BMM”), one of the independent, third party testing laboratories under contract with the KHRC, has completed testing on a number of AGT pari-mutuel wagering pools since December, 2018. Upon completion of testing by BMM, several requests for approval have been made by CDI personnel. The chart following this memorandum contains the date in which the KHRC received testing results from BMM, the date in which KHRC approval was requested, and the date in which Executive Director Marc Guilfoil granted the conditional approval.

Throughout this process, representatives from CDI, Derby City Gaming, AGT, and BMM have been very forthcoming and helpful in resolving the issues involving races in which horses had been scratched. To date, KHRC staff has not found any evidence that any patrons have been negatively affected by this issue. KHRC staff has yet to find any evidence that patrons were allowed to wager on a scratched horse. CDI continues to pay a fine of \$1,000.00 for every day in which the AGT system operates with any pari-mutuel wagering pool using races in which horses were scratched from the original race. To date, CDI has paid a total of \$144,000.00 in fines for all operational dates from the opening of Derby City Gaming through January 31, 2019.

As of February 13, 2019, the AGT Historical Horse Racing pari-mutuel wagering pool updates that have been tested by BMM and approved by Executive Director Guilfoil have been deployed and are in use at Derby City Gaming. This accounts for 65.6% of the AGT Historical Horse Racing pari-mutuel wagering pools and 59.1% of the terminals at the Derby City Gaming location.

KHRC staff recommends the ratification of the conditional approval of the following AGT Historical Horse Racing pari-mutuel wagering pools granted to Derby City Gaming and CDI by Executive Director Marc Guilfoil:

Game Theme Name	Updated HHR Software Version
Action Dragons	HHRGameInfo.9.0.2.1
Almighty Aztec	HHRGameInfo.9.0.2.1
Arctic Explorer	HHRGameInfo.9.0.2.1
Athen'a Fortune	HHRGameInfo.9.0.2.1
Banana Land	HHRGameInfo.9.0.2.1
Bonus Bonanza	HHRGameInfo.9.0.2.1
Give Me The Gold Shamrock AB	HHRGameInfo.9.0.2.1
Bring the Heat Pyromania	HHRGameInfo.9.0.2.1
Candy Mountain	HHRGameInfo.9.0.2.1
Cannonball Run Reloaded	HHRGameInfo.9.0.2.1
China Gold AB	HHRGameInfo.9.0.2.1
Desert Dawn	HHRGameInfo.9.0.2.1
Desert Dusk	HHRGameInfo.9.0.2.1
Dragon Throne	HHRGameInfo.9.0.2.1
Dragons Heat AB	HHRGameInfo.9.0.2.1
Falcon Fury	HHRGameInfo.9.0.2.1
Fash Cash Diamonds	HHRGameInfo.9.0.2.1
Glitter Giamonds	HHRGameInfo.9.0.2.1

Go Panda!	HHRGameInfo.9.0.2.1
Gorilla Diamond AB	HHRGameInfo.9.0.2.1
Inferno Royale	HHRGameInfo.9.0.2.1
Jade Star	HHRGameInfo.9.0.2.1
Kingdom of Sparta AB	HHRGameInfo.9.0.2.1
Lost Galleon Gold AB	HHRGameInfo.9.0.2.1
Moonlit Diamonds	HHRGameInfo.9.0.2.1
Mustang Fortune	HHRGameInfo.9.0.2.1
Nitro Stacks	HHRGameInfo.9.0.2.1
Pac Man Wild	HHRGameInfo.9.0.2.1
Queen Pharaoh's Wealth	HHRGameInfo.9.0.2.1
Rampaging Bull	HHRGameInfo.9.0.2.1
Realm Of Wonder	HHRGameInfo.9.0.2.1
Rich N Wild	HHRGameInfo.9.0.2.1
Rise Of The Zombies	HHRGameInfo.9.0.2.1
Roaring Riches	HHRGameInfo.9.0.2.1
Rumble Rumble Bison	HHRGameInfo.9.0.2.1
Spin City AB	HHRGameInfo.9.0.2.1
Three Amigos	HHRGameInfo.9.0.2.1
Totem Treasure	HHRGameInfo.9.0.2.1
Twice The Diamonds	HHRGameInfo.9.0.2.1
Twice The Money	HHRGameInfo.9.0.2.1
Wolf Bound AB	HHRGameInfo.9.0.2.1
Wrath Of Cyclops AB	HHRGameInfo.9.0.2.1

Please note that this proposed ratification does not include all AGT Historical Horse Racing pari-mutuel wagering pools, and until all pools are updated, a fine of \$1,000.00 per operational day will continue to be levied against Derby City Gaming.

### **COMMISSION ACTION**

\_\_\_\_\_ **Approved**

\_\_\_\_\_ **Denied**

\_\_\_\_\_ **Deferred**

Game Theme Name	Number of Terminals	Updated HHR Software Version	BMM Report Receipt Date	DCG Request to Update	KHRC Approval Letter
Action Dragons	9	HHRGameInfo.9.0.2.1	1/24/2019	1/31/2019	2/1/2019
Almighty Aztec	6	HHRGameInfo.9.0.2.1	1/24/2019	1/31/2019	2/1/2019
Arctic Explorer	12	HHRGameInfo.9.0.2.1	2/6/2019	2/7/2019	2/7/2019
Athen'a Fortune	12	HHRGameInfo.9.0.2.1	2/5/2019	2/7/2019	2/7/2019
Banana Land	11	HHRGameInfo.9.0.2.1	2/4/2019	2/7/2019	2/7/2019
Bonus Bonanza	17	HHRGameInfo.9.0.2.1	1/24/2019	1/31/2019	2/1/2019
Give Me The Gold Shamrock AB	8	HHRGameInfo.9.0.2.1	1/31/2019	2/7/2019	2/7/2019
Bring the Heat Pyromania	15	HHRGameInfo.9.0.2.1	1/31/2019	2/7/2019	2/7/2019
Candy Mountain	18	HHRGameInfo.9.0.2.1	2/5/2019	2/7/2019	2/7/2019
Cannonball Run Reloaded	32	HHRGameInfo.9.0.2.1	1/28/2019	1/31/2019	2/1/2019
China Gold AB	6	HHRGameInfo.9.0.2.1	1/18/2019	1/31/2019	2/1/2019
Desert Dawn	11	HHRGameInfo.9.0.2.1	1/28/2019	1/31/2019	2/1/2019
Desert Dusk	14	HHRGameInfo.9.0.2.1	1/28/2019	1/31/2019	2/1/2019
Dragon Throne	10	HHRGameInfo.9.0.2.1	1/24/2019	1/31/2019	2/1/2019
Dragons Heat AB	6	HHRGameInfo.9.0.2.1	1/18/2019	1/31/2019	2/1/2019
Falcon Fury	11	HHRGameInfo.9.0.2.1	1/29/2019	2/7/2019	2/7/2019
Fash Cash Diamonds	17	HHRGameInfo.9.0.2.1	1/31/2019	2/7/2019	2/7/2019
Glitter Giamonds	17	HHRGameInfo.9.0.2.1	2/5/2019	2/7/2019	2/7/2019
Go Panda!	10	HHRGameInfo.9.0.2.1	2/1/2019	2/7/2019	2/7/2019
Gorilla Diamond AB	9	HHRGameInfo.9.0.2.1	1/18/2019	1/31/2019	2/1/2019
Inferno Royale	10	HHRGameInfo.9.0.2.1	1/24/2019	1/31/2019	2/1/2019
Jade Star	11	HHRGameInfo.9.0.2.1	1/24/2019	1/31/2019	2/1/2019
Kingdom of Sparta AB	11	HHRGameInfo.9.0.2.1	1/18/2019	1/31/2019	2/1/2019
Lost Galleon Gold AB	12	HHRGameInfo.9.0.2.1	1/25/2019	2/7/2019	2/7/2019
Moonlit Diamonds	8	HHRGameInfo.9.0.2.1	2/4/2019	2/7/2019	2/7/2019
Mustang Fortune	14	HHRGameInfo.9.0.2.1	2/4/2019	2/7/2019	2/7/2019
Nitro Stacks	16	HHRGameInfo.9.0.2.1	1/25/2019	2/7/2019	2/7/2019
Pac Man Wild	19	HHRGameInfo.9.0.2.1	12/4/2018	12/12/2018	12/12/2018
Queen Pharaoh's Wealth	18	HHRGameInfo.9.0.2.1	2/1/2019	2/7/2019	2/7/2019
Rampaging Bull	18	HHRGameInfo.9.0.2.1	1/29/2019	2/7/2019	2/7/2019
Realm Of Wonder	11	HHRGameInfo.9.0.2.1	1/24/2019	1/31/2019	2/1/2019
Rich N Wild	5	HHRGameInfo.9.0.2.1	1/25/2019	2/7/2019	2/7/2019
Rise Of The Zombies	19	HHRGameInfo.9.0.2.1	2/6/2019	2/7/2019	2/7/2019
Roaring Riches	8	HHRGameInfo.9.0.2.1	1/30/2019	2/8/2019	2/11/2019
Rumble Rumble Bison	18	HHRGameInfo.9.0.2.1	1/24/2019	1/31/2019	2/1/2019
Spin City AB	13	HHRGameInfo.9.0.2.1	1/18/2019	1/31/2019	2/1/2019
Three Amigos	17	HHRGameInfo.9.0.2.1	1/24/2019	1/31/2019	2/1/2019
Totem Treasure	10	HHRGameInfo.9.0.2.1	1/30/2019	2/8/2019	2/11/2019
Twice The Diamonds	12	HHRGameInfo.9.0.2.1	1/29/2019	2/7/2019	2/7/2019
Twice The Money	11	HHRGameInfo.9.0.2.1	1/30/2019	2/8/2019	2/11/2019
Wolf Bound AB	8	HHRGameInfo.9.0.2.1	1/24/2019	1/31/2019	2/1/2019
Wrath Of Cyclops AB	12	HHRGameInfo.9.0.2.1	1/18/2019	1/31/2019	2/1/2019



Tim Bryant  
Derby City Gaming, LLC  
4520 Poplar Level Rd  
Louisville, KY 40213  
Tim.Bryant@derbycitygaming.com  
502-961-7601

January 31, 2019

Mr. Marc A. Guilfoil  
Executive Director  
Kentucky Horse Racing Commission  
4063 Iron Works Parkway, Bldg. B  
Lexington, KY 40511

**RE: Request for Kentucky Horse Racing Commission Approval of Updates to Existing Game Themes with a New Race Set Database at the Derby City Gaming Historical Horse Racing Facility.**

Dear Mr. Guilfoil:

As you know, on July 17, 2018 and August 21, 2018, the Kentucky Horse Racing Commission ("Commission") approved Churchill Downs Racetrack, by and through its wholly owned subsidiary Derby City Gaming, LLC, to offer exotic wagers on historical horse races at our Derby City Gaming location at 4520 Poplar Level Road, Louisville, KY 40213 (previously referred to as Trackside). At the same time, the Commission approved the Ainsworth Game Technology Historical Horse Racing Pari-Mutuel Wagering System (the "Ainsworth System"), along with sixty-four (64) entertaining game themes, all of which had been evaluated and certified by an approved independent testing lab.

As the Commission is aware, it was determined that the race set database used in our HHR System included historical races where runners were scratched after entries were taken. Importantly, it should be noted that the historical racing machines in use at Derby City Gaming have never enabled any wagers on a horse that did not run in a race. If a horse was scratched at any time prior to a race, that horse was removed from the field and was not eligible for wagering. However, this request is to correct this technical violation and to only offer historical races that had no runners that were scratched after entries were taken.



The Commission previously approved the HHR Wagering System Central Server, BGGame Terminal, HHR Management Terminal and HHR Trust Report which allows games to utilize the new race set database. It is our understanding that the database of historical races has been tested by Gaming Laboratories, Inc. (GLI), another approved independent test lab, to ensure the races offered are in compliance with 810 KAR 1:011 Section 3 (1). We are requesting approval of updated versions of the following previously approved game themes, to utilize this new race set database that only offers historical races that had no runners that were scratched after entries were taken. The updated game themes also include adjustments to the payoff configurations that were made during the process of updating the games with the new race set database.

1. Dragon's Heat v2017.11.29.8 (HHRGameInfo.9.0.2.1) – AINS.1502
2. China Gold v2017.10.12.8 (HHRGameInfo.9.0.2.1) – AINS.1503
3. Wrath of the Cyclops v2017.12.0.8 (HHRGameInfo.9.0.2.1) – AINS.1504
4. Spin City v2017.10.12.8 (HHRGameInfo.9.0.2.1) – AINS.1505
5. Kingdom of Sparta v2017.12.0.8 (HHRGameInfo.9.0.2.1) – AINS.1506
6. Gorilla Diamond v2018.9.4.8 (HHRGameInfo.9.0.2.1) – AINS.1507
7. Three Amigos v2018.10.10.8 (HHR GameInfo.9.0.2.1) – AINS.1508
8. Action Dragons v2017.6.0.8 (HHR GameInfo.9.0.2.1) – AINS.1509
9. Inferno Royale v2018.10.10.8 (HHR GameInfo.9.0.2.1) – AINS.1513
10. Realm of Wonder v2018.10.23.8 (HHR GameInfo.9.0.2.1) – AINS.1518
11. Wolf Bound v2017.11.10.8 (HHR GameInfo.9.0.2.1) – AINS.1521
12. Almighty Aztec v2018.11.6.8 (HHR GameInfo.9.0.2.1) – AINS.1536
13. Rumble Rumble Bison v2017.6.0.8 (HHRGameInfo.9.0.2.) - AINS.1520
14. Bonus Bonanza v2017.9.0.8 (HHRGameInfo.9.0.2.1) - AINS.1510
15. Dragon Throne v2017.11.9.8 (HHRGameInfo.9.0.2.1) - AINS.1512
16. Jade Star v2017.6.0.8 (HHRGameInfo.9.0.2.1) - AINS.1514
17. Cannon Ball Reloaded v2018.9.7.8 (HHRGameInfo.9.0.2.1) - AINS.1527
18. Desert Dawn v2017.6.0.8 (HHRGameInfo.9.0.2.1) - AINS.1528
19. Desert Dusk v2017.6.0.8 (HHRGameInfo.9.0.2.1) - AINS.1529

Furthermore, we request approval of the updated versions of the previously approved HHR BGGame Terminal and HHR Auxiliary Service.

1. AGT Historical Horse Racing (HHR) System Components – AINS.1501
  - a. HHR BGGame Terminal v9.0.1.144 – simply adds a confirmation prompt after the service button on the wagering terminal is pressed. The wagering terminal will now ask the patron for confirmation before the attendant light activates.
  - b. HHR Auxiliary Service v9.0.1.3 – Supports enhanced reporting.

It is our understanding that these updates have been tested by BMM and the associated reports have been provided to the Commission. For the reasons set forth herein, Churchill Downs respectfully requests the Commission's approval of the updates included in this letter.

Finally, updates to the remaining forty-four (44) previously-approved game titles are in process, and we expect those updates to be completed and tested by BMM on a rolling basis over the coming weeks. Also, no updates to game software with the new race set database will be performed until we have successfully completed the corresponding game's pool merge. Thank you, in advance, for your consideration of those game updates and associated reports so that we can have our race set compliance issue fully resolved as soon as possible.

Sincerely,



Tim Bryant  
President & General Manager – Derby City Gaming

cc: Steve May, KHRC  
Justin Paul

MATTHEW G. BEVIN  
GOVERNOR

FRANKLIN S. KLING, JR.  
CHAIRMAN



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TELEPHONE: (859) 246-2040 FAX: (859) 246-2039  
WEBSITE: [HTTP://KHRC.KY.GOV](http://KHRC.KY.GOV)

February 1, 2019

Derby City Gaming  
Attention Tim Bryant  
4520 Poplar Level Road  
Louisville, KY 40213

Re: Request to Update Ainsworth Game Technology Historical Horse Racing Server-Level Software

Dear Mr. Bryant:

Pursuant to the authority granted the Executive Director by the Kentucky Horse Racing Commission ("KHRC") on October 18, 2011 and on December 12, 2018, your request to upgrade the following Ainsworth Game Technology Historical Horse Racing system pari-mutuel wagering pool software, as outlined in your letter dated January 31, 2018, is hereby approved:

1. Dragon's Heat v2017.11.29.8 – AINS.1502
2. China Gold v2017.10.12.8 – AINS.1503
3. Wrath of the Cyclops v2017.12.0.8 – AINS.1504
4. Spin City v2017.10.12.8 – AINS.1505
5. Kingdom of Sparta v2017.12.0.8 – AINS.1506
6. Gorilla Diamond v2018.9.4.8 – AINS.1507
7. Three Amigos v2018.10.10.8 – AINS.1508
8. Action Dragons v2017.6.0.8 – AINS.1509
9. Inferno Royale v2017.10.10.8 – AINS.1513
10. Realm of Wonder v2017.10.23.8 – AINS.1518
11. Wolf Bound v2017.11.10.8 – AINS.1521
12. Almighty Aztec v2018.11.6.8 – AINS.1536
13. Rumble Rumble Bison v2017.6.0.8 – AINS.1520
14. Bonus Bonanza v2017.9.0.8 – AINS.1510
15. Dragon Throne v2017.11.9.8 – AINS.1512





16. Jade Star v2017.6.0.8 – AINS.1514
17. Cannon Ball Reloaded v2017.6.0.8 – AINS.1527
18. Desert Dawn v2017.6.0.8 – AINS.1528
19. Desert Dusk v2017.6.0.8 – AINS.1529

In addition, your request to update the Ainsworth Game Technology system components to the following versions is hereby approved:

1. HHR BGGame Terminal v9.0.1.144
2. HHR Auxiliary Service v9.0.1.3

As required by the approval granted by the KHRC on December 12, 2018, these approvals will be placed on a future KHRC meeting agenda for final ratification.

Please contact Steve May, KHRC Director of Pari-Mutuel Wagering and Compliance, to coordinate the logistical details or date changes of the deployment, and do not hesitate to contact Executive Director Guilfoil should you have any questions or concerns.

With best regards,



Marc A. Guilfoil  
Executive Director  
Kentucky Horse Racing Commission

cc: Franklin S. Kling, Kentucky Horse Racing Commission  
Marc A. Guilfoil, Kentucky Horse Racing Commission  
Steve May, Kentucky Horse Racing Commission  
John Forgy, Kentucky Horse Racing Commission  
Justin Paul, Churchill Downs, Incorporated  
Kevin Flanery, Churchill Downs, Incorporated  
Mike Ziegler, Churchill Downs, Incorporated



Tim Bryant  
Derby City Gaming, LLC  
4520 Poplar Level Rd  
Louisville, KY 40213  
Tim.Bryant@derbycitygaming.com  
502-961-7601

February 7, 2019

Mr. Marc A. Guilfoil  
Executive Director  
Kentucky Horse Racing Commission  
4063 Iron Works Parkway, Bldg. B  
Lexington, KY 40511

**RE: Request for Kentucky Horse Racing Commission Approval of Updates to Existing Game Themes with a New Race Set Database at the Derby City Gaming Historical Horse Racing Facility.**

Dear Mr. Guilfoil:

As you know, on July 17, 2018 and August 21, 2018, the Kentucky Horse Racing Commission ("Commission") approved Churchill Downs Racetrack, by and through its wholly owned subsidiary Derby City Gaming, LLC, to offer exotic wagers on historical horse races at our Derby City Gaming location at 4520 Poplar Level Road, Louisville, KY 40213 (previously referred to as Trackside). At the same time, the Commission approved the Ainsworth Game Technology Historical Horse Racing Pari-Mutuel Wagering System (the "Ainsworth System"), along with sixty-four (64) entertaining game themes, all of which had been evaluated and certified by an approved independent testing lab.

As the Commission is aware, it was determined that the race set database used in our HHR System included historical races where runners were scratched after entries were taken. Importantly, it should be noted that the historical racing machines in use at Derby City Gaming have never enabled any wagers on a horse that did not run in a race. If a horse was scratched at any time prior to a race, that horse was removed from the field and was not eligible for wagering. However, this request is to correct this technical violation and to only offer historical races that had no runners that were scratched after entries were taken.



The Commission previously approved the HHR Wagering System Central Server, BGGame Terminal, HHR Management Terminal and HHR Trust Report which allows games to utilize the new race set database. It is our understanding that the database of historical races has been tested by Gaming Laboratories, Inc. (GLI), another approved independent test lab, to ensure the races offered are in compliance with 810 KAR 1:011 Section 3 (1). We are requesting approval of updated versions of the following previously approved game themes, to utilize this new race set database that only offers historical races that had no runners that were scratched after entries were taken. The updated game themes also include adjustments to the payoff configurations that were made during the process of updating the games with the new race set database.

1. Go Panda! HHR v2018.2.1.8 / HHRGameInfo.9.0.2.1 - AINS.1540
2. Queen Pharaoh's Wealth HHR v2017.7.0.8 / HHRGameInfo.9.0.2.1 - AINS.1541
3. Bring the Heat Pyromania HHR v2018.10.23.8 / HHRGameInfo.9.0.2.1 - AINS.1537
4. Fast Cash Diamonds HHR v2018.9.28.8 / HHRGameInfo.9.0.2.1 - AINS.1538
5. Give Me the Gold Shamrock HHR v2018.10.10.8 / HHRGameInfo.9.0.2.1 - AINS.1539
6. Banana Land HHR v2018.11.6.8 / HHRGameInfo.9.0.2.1 - AINS.1542
7. Moonlit Diamonds HHR v2017.1.0.8 / HHRGameInfo.9.0.2.1 - AINS.1543
8. Mustang Fortune HHR v2017.1.0.8 / HHRGameInfo.9.0.2.1 - AINS.1544
9. Glitter Diamonds HHR v2017.1.0.8 / HHRGameInfo.9.0.2.1 - AINS.1545
10. Athena's Fortune HHR v2018.1.31.8 / HHRGameInfo.9.0.2.1 - AINS.1546
11. Candy Mountain HHR v2018.3.2.8 / HHRGameInfo.9.0.2.1 - AINS.1547
12. Rise of the Zombies HHR v2018.2.1.8 / HHRGameInfo.9.0.2.1 - AINS.1548
13. Arctic Explorer HHR v2017.12.18.8 / HHRGameInfo.9.0.2.1 - AINS.1549
14. Twice the Diamonds HHR v2017.5.0.8 / HHRGameInfo.9.0.2.1 - AINS.1531
15. Rampaging Bull HHR v2017.5.0.8 / HHRGameInfo.9.0.2.1 - AINS.1532
16. Falcon Fury HHR v2017.6.0.8 / HHRGameInfo.9.0.2.1 - AINS.1530
17. Rich n Wild HHR v2017.4.0.8 / HHRGameInfo.9.0.2.1 - AINS.1519
18. Bring the Heat Nitro Stacks HHR v2017.7.0.8 / HHRGameInfo.9.0.2.1 - AINS.1517
19. Lost Galleon Gold HHR v2017.11.10.8 / HHRGameInfo.9.0.2.1 - AINS.1516

It is our understanding that these updates have been tested by BMM and the associated reports have been provided to the Commission. For the reasons set forth herein, Churchill Downs respectfully requests the Commission's approval of the updates included in this letter.

Finally, updates to the remaining twenty-eight (28) previously-approved game titles are in process, and we expect those updates to be completed and tested by BMM on a rolling basis over the coming weeks. Also, no updates to game software with the new race set database will be performed until we have successfully completed the corresponding game's pool merge. Thank you, in advance, for your consideration of those game updates and associated reports so that we can have our race set compliance issue fully resolved as soon as possible.

Sincerely,



Tim Bryant  
President & General Manager – Derby City Gaming

cc: Steve May, KHRC  
Justin Paul

MATTHEW G. BEVIN  
GOVERNOR

FRANKLIN S. KLING, JR.  
CHAIRMAN



K. GAIL RUSSELL  
ACTING SECRETARY

MARC A. GUILFOIL  
EXECUTIVE DIRECTOR

PUBLIC PROTECTION CABINET  
KENTUCKY HORSE RACING COMMISSION  
ESTABLISHED 1906  
4063 IRON WORKS PKWY., BLDG. B  
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February 7, 2019

Derby City Gaming  
Attention Tim Bryant  
4520 Poplar Level Road  
Louisville, KY 40213

Re: Request to Update Ainsworth Game Technology Historical Horse Racing Server-Level Software

Dear Mr. Bryant:

Pursuant to the authority granted the Executive Director by the Kentucky Horse Racing Commission ("KHRC") on October 18, 2011 and on December 12, 2018, your request to upgrade the following Ainsworth Game Technology Historical Horse Racing system pari-mutuel wagering pool software, as outlined in your letter dated February 7, 2019, is hereby approved:

1. Go Panda! V2018.2.1.8 – AINS.1540
2. Queen Pharaoh's Wealth v2017.7.0.8 – AINS.1541
3. Bring the Heath Pyromania v2018.10.23.8 – AINS.1537
4. Fast Cash Diamonds v2018.9.28.8 – AINS.1538
5. Give Me the Gold Shamrock v2018.10.10.8 – AINS.1539
6. Banana Land v2018.11.6.8 – AINS.1542
7. Moonlit Diamonds v2017.1.0.8 – AINS.1543
8. Mustang Fortune v2017.1.0.8 – AINS.1544
9. Glitter Diamonds v2017.1.0.8 – AINS.1545
10. Athena's Fortune v2018.1.31.8 – AINS.1546
11. Candy Mountain v2018.3.2.8 – AINS.1547
12. Rise of the Zombies v2018.2.1.8 – AINS.1548
13. Arctic Explorer v2017.12.18.8 – AINS.1549
14. Twice the Diamonds v2017.5.0.8 – AINS.1531
15. Rampaging Bull v2017.5.0.8 – AINS.1532





16. Falcon Fury v2017.6.0.8 – AINS.1530
17. Rich N Wild v2017.4.0.8 – AINS.1519
18. Bring the Heat Nitro Stacks v2017.7.0.8 – AINS.1517
19. Lost Galleon Gold v2017.11.10.8 – AINS.1516

As required by the approval granted by the KHRC on December 12, 2018, this approval will be placed on a future KHRC meeting agenda for final ratification.

Please contact Steve May, KHRC Director of Pari-Mutuel Wagering and Compliance, to coordinate the logistical details or date changes of the deployment, and do not hesitate to contact Executive Director Guilfoil should you have any questions or concerns.

With best regards,



Marc A. Guilfoil

Executive Director

Kentucky Horse Racing Commission

cc: Franklin S. Kling, Kentucky Horse Racing Commission  
Marc A. Guilfoil, Kentucky Horse Racing Commission  
Steve May, Kentucky Horse Racing Commission  
John Forgy, Kentucky Horse Racing Commission  
Justin Paul, Churchill Downs, Incorporated  
Kevin Flanery, Churchill Downs, Incorporated  
Mike Ziegler, Churchill Downs, Incorporated



Tim Bryant  
Derby City Gaming, LLC  
4520 Poplar Level Rd  
Louisville, KY 40213  
Tim.Bryant@derbycitygaming.com  
502-961-7601

February 8, 2019

Mr. Marc A. Guilfoil  
Executive Director  
Kentucky Horse Racing Commission  
4063 Iron Works Parkway, Bldg. B  
Lexington, KY 40511

**RE: Request for Kentucky Horse Racing Commission Approval of Updates to Existing Game Themes with a New Race Set Database at the Derby City Gaming Historical Horse Racing Facility.**

Dear Mr. Guilfoil:

As you know, on July 17, 2018 and August 21, 2018, the Kentucky Horse Racing Commission ("Commission") approved Churchill Downs Racetrack, by and through its wholly owned subsidiary Derby City Gaming, LLC, to offer exotic wagers on historical horse races at our Derby City Gaming location at 4520 Poplar Level Road, Louisville, KY 40213 (previously referred to as Trackside). At the same time, the Commission approved the Ainsworth Game Technology Historical Horse Racing Pari-Mutuel Wagering System (the "Ainsworth System"), along with sixty-four (64) entertaining game themes, all of which had been evaluated and certified by an approved independent testing lab.

As the Commission is aware, it was determined that the race set database used in our HHR System included historical races where runners were scratched after entries were taken. Importantly, it should be noted that the historical racing machines in use at Derby City Gaming have never enabled any wagers on a horse that did not run in a race. If a horse was scratched at any time prior to a race, that horse was removed from the field and was not eligible for wagering. However, this request is to correct this technical violation and to only offer historical races that had no runners that were scratched after entries were taken.



The Commission previously approved the HHR Wagering System Central Server, BGGame Terminal, HHR Management Terminal and HHR Trust Report which allows games to utilize the new race set database. It is our understanding that the database of historical races has been tested by Gaming Laboratories, Inc. (GLI), another approved independent test lab, to ensure the races offered are in compliance with 810 KAR 1:011 Section 3 (1). We are requesting approval of updated versions of the following previously approved game themes, to utilize this new race set database that only offers historical races that had no runners that were scratched after entries were taken. The updated game themes also include adjustments to the payoff configurations that were made during the process of updating the games with the new race set database.

1. Roaring Riches HHR v2017.4.0.8 / HHRGameInfo.9.0.2.1 - AINS.1533
2. Totem Treasure HHR v2017.7.0.8 / HHRGameInfo.9.0.2.1 - AINS.1534
3. Twice the Money HHR v2017.7.0.8 / HHRGameInfo.9.0.2.1 - AINS.1535

It is our understanding that these updates have been tested by BMM and the associated reports have been provided to the Commission. For the reasons set forth herein, Churchill Downs respectfully requests the Commission's approval of the updates included in this letter.

Finally, updates to the remaining twenty-two (22) previously-approved game titles are in process, and we expect those updates to be completed and tested by BMM on a rolling basis over the coming weeks. Also, no updates to game software with the new race set database will be performed until we have successfully completed the corresponding game's pool merge. Thank you, in advance, for your consideration of those game updates and associated reports so that we can have our race set compliance issue fully resolved as soon as possible.

Sincerely,



Tim Bryant  
President & General Manager – Derby City Gaming

cc: Steve May, KHRC  
Justin Paul

MATTHEW G. BEVIN  
GOVERNOR

FRANKLIN S. KLING, JR.  
CHAIRMAN



K. GAIL RUSSELL  
ACTING SECRETARY

MARC A. GUILFOIL  
EXECUTIVE DIRECTOR

**PUBLIC PROTECTION CABINET**  
**KENTUCKY HORSE RACING COMMISSION**  
ESTABLISHED 1906  
4063 IRON WORKS PKWY., BLDG. B  
LEXINGTON, KENTUCKY 40511  
TELEPHONE: (859) 246-2040 FAX: (859) 246-2039  
WEBSITE: [HTTP://KHRC.KY.GOV](http://khrc.ky.gov)

February 11, 2019

Derby City Gaming  
Attention Tim Bryant  
4520 Poplar Level Road  
Louisville, KY 40213

Re: Request to Update Ainsworth Game Technology Historical Horse Racing Server-Level Software

Dear Mr. Bryant:

Pursuant to the authority granted the Executive Director by the Kentucky Horse Racing Commission ("KHRC") on October 18, 2011 and on December 12, 2018, your request to upgrade the following Ainsworth Game Technology Historical Horse Racing system pari-mutuel wagering pool software, as outlined in your letter dated February 8, 2019, is hereby approved:

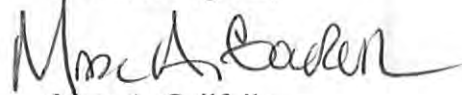
1. Roaring Riches v2017.4.0.8 0 – AINS.1533
2. Totem Treasure v2017.7.0.8 – AINS.1534
3. Twice the Money v2017.7.0.8 – AINS.1535

As required by the approval granted by the KHRC on December 12, 2018, this approval will be placed on a future KHRC meeting agenda for final ratification.



Please contact Steve May, KHRC Director of Pari-Mutuel Wagering and Compliance, to coordinate the logistical details or date changes of the deployment, and do not hesitate to contact Executive Director Guilfoil should you have any questions or concerns.

With best regards,



Marc A. Guilfoil  
Executive Director  
Kentucky Horse Racing Commission

cc: Franklin S. Kling, Kentucky Horse Racing Commission  
Marc A. Guilfoil, Kentucky Horse Racing Commission  
Steve May, Kentucky Horse Racing Commission  
John Forgy, Kentucky Horse Racing Commission  
Justin Paul, Churchill Downs, Incorporated  
Kevin Flanery, Churchill Downs, Incorporated  
Mike Ziegler, Churchill Downs, Incorporated



MATTHEW G. BEVIN  
GOVERNOR

FRANKLIN S. KLING, JR.  
CHAIRMAN

K. GAIL RUSSELL  
ACTING SECRETARY

MARC A. GUILFOIL  
EXECUTIVE DIRECTOR

**PUBLIC PROTECTION CABINET**  
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TELEPHONE: (859) 246-2040 FAX: (859) 246-2039  
WEBSITE: [HTTP://KHRC.KY.GOV](http://KHRC.KY.GOV)

**TO:** Kentucky Horse Racing Commission

**FROM:** Mary Scollay, DVM

**DATE:** February 19, 2019

**SUBJECT:** Transcriptomics for the Detection of EPO Micro Dosing

There are anecdotal reports that blood doping via administration of small doses of recombinant human erythropoietin (rHuEPO) is occurring and evading detection. The current screening method for rHuEPO and Darbepoetin are limited. The concentrations of rHuEPO and/or Darbepoetin that result from micro dosing may be lower than the sensitivity of the screening method. The effect exerted by these substances far exceeds the window of detection of these substances which are typically present in the blood for less than 48 hours following administration.

Antidoping research related to the detection of micro dosing of rHuEPO in human athletes has identified changes in human RNA transcription signatures that are indicative of altered red blood cell production. This proposal intends to apply RNA transcription sequencing to equine blood samples to determine if the approach used in humans can be applied to the equine. While not direct evidence of rHuEPO or Darbepoetin administration, the signatures, when identified, can trigger confirmatory analysis and/or further investigation as the signature would be expected to be similarly affected by EPO analogs.

The investigators propose to administer rHuEPO to a 6 horse test group and saline to a 4 horse control group. Blood samples will be collected throughout the 7 week administration period and for 3 weeks after the final treatment. The blood will be subjected to RNA-sequencing with test horse results compared to control horse results. The top ten differentially expressed transcripts will be validated and the applicability of the method will be tested by analysis of samples from another set of horses administered micro doses of rHuEPO.

This proposal was originally submitted to the RMTTC, which has asked the Kentucky Equine Drug Research Council (KEDRC) to consider partnering in the funding of this work.



Funding requested in proposal: Year 1: \$124,103 Year 2: \$71,239 Total: \$195,342

The RMTC is asking the KEDRC fund 75% (\$146,506) of the total amount requested.

The KEDRC met at 11:30 on February 19<sup>th</sup> and voted in support of funding.

**KHRC Action:**

\_\_\_\_\_ **Approved**  
\_\_\_\_\_ **Deferred**  
\_\_\_\_\_ **Denied**





MATTHEW G. BEVIN  
GOVERNOR

FRANKLIN S. KLING, JR.  
CHAIRMAN

K. GAIL RUSSELL  
ACTING SECRETARY

MARC A. GUILFOIL  
EXECUTIVE DIRECTOR

**PUBLIC PROTECTION CABINET**  
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WEBSITE: [HTTP://KHRC.KY.GOV](http://KHRC.KY.GOV)

**TO:** Kentucky Horse Racing Commission

**FROM:** Mary Scollay, DVM

**DATE:** February 19, 2019

**SUBJECT:** Levamisole administration study

Levamisole has been demonstrated to be a useful adjunct in the treatment of Equine Protozoal Myelitis and is not uncommonly prescribed by veterinarians for that purpose. One of the metabolites of levamisole is aminorex, which is a potent stimulant and is assigned a Class A penalty by the KHRC if detected in a post-race sample. Currently no withdrawal guidance is available and so the legitimate use levamisole carries unquantifiable risk of a positive test for aminorex. The EDRC has designed a levamisole administration study that would facilitate the establishment of withdrawal guidance.

In 2018, a Request for Bids to outsource the EDRC-designed, 6 horse, levamisole administration study—inclusive of administrations, sample collections and sample analysis--failed to generate any responses. In consideration of the contract with New Vocations, now in effect, the EDRC is positioned to perform the administrations and sample collections and solicit bids for sample and data analysis.

Staff requests permission to release a Request for Bids for targeted analysis in blood and urine samples for: levamisole, aminorex, tetramisole, rexamino, pemoline, and Compound II and to proceed with performing the administrations and sample collections once a successful bidder is identified. The total cost (inclusive of administrations, sample collection and processing, sample analysis, data analysis, and the expenses described below) is not to exceed \$45,000.



Support 3 additional horses for the study period of 30 days:	\$ 2,700.00
Sampling supplies (blood collection tubes, needles, urine collection cups, urine specimen jars, IV catheters, suture, heparin, sterile saline, 3 cc syringes, 35 cc syringes, plastic vials for sample storage and transfer, exam gloves, specimen labels)	500.00
CBC and blood chemistries prior to study commencement	240.00
FedEx of sample sets to selected laboratory	300.00

The Equine Drug Research Council met at 11:30 on February 19<sup>th</sup> and voted in favor of funding this study in an amount not to exceed \$45,000.

**KHRC Action:**

_____	<b>Approved</b>
_____	<b>Deferred</b>
_____	<b>Denied</b>



MATTHEW G. BEVIN  
GOVERNOR

FRANKLIN S. KLING, JR.  
CHAIRMAN

K. GAIL RUSSELL  
ACTING SECRETARY

MARC A. GUILFOIL  
EXECUTIVE DIRECTOR

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**TO: KENTUCKY HORSE RACING COMMISSION**

**FROM: Barbara Borden, Chief State Steward**

**DATE: January 29, 2019**

**RE: KEENELAND'S PROPOSED 2019 SPRING MEET OFFICIALS & DATES PREFERENCE SYSTEM**

---

By letter dated January 29, 2019, Robert N Elliston, Vice President of Racing and Sales at Keeneland racetrack, requests approval of the attached Roster of Racing Officials and Dates Preference System for their 2019 Spring Meet. Please be advised all Stewards have been accredited by ROAP (Racing Officials Accreditation Program) and all officials will be licensed by the meet opening.

Approval is recommended.

**COMMISSION ACTION:**

\_\_\_\_\_ Approved

\_\_\_\_\_ Deferred

\_\_\_\_\_ Denied





January 28, 2019

**Keeneland Association, Inc.**

4201 Versailles Road  
Lexington, KY 40510  
P.O. Box 1690  
Lexington, KY 40588-1690  
859 254-3412 Tel.  
800 456-3412  
859 288-4347 Fax  
www.keeneland.com

Mr. Marc A. Guilfoil  
Executive Director  
Kentucky Horse Racing Commission  
4063 Iron Works Pkwy., Bldg. B  
Lexington, KY 40511

Dear Marc:

With the approval of the Kentucky Horse Racing Commission, the officials for the 2019 Spring Meeting at Keeneland will be as follows:

Vice President of Racing	Robert N. Elliston
Association Steward	Ronald Herbstreit
Racing Secretary	David Ben Huffman
Director of Racing Administration	Katherine McKee
Assistant Racing Secretary	Tia Murphy
Stakes Coordinator	Tiffany Bourque
Starter	Robert Alexander
Paddock Judge	David Wedlake
Assistant Paddock Judge	Tyler Picklesimer
Patrol/Placing Judges	James F. Ewalt, Steve Obrekaitis, Steve Penrod, Ron Tomlinson, Bailey Hare, Scott Jones
Entry Clerks	James F. Ewalt, Steve Obrekaitis, Steve Penrod, Ron Tomlinson, Bailey Hare, Scott Jones
Clerk of Scales	Javier Torres
Horse Identifier	Melinda Vest
Assistant Identifier	Lauren Cannon
Timer	American Teletimer (Mark Skaggs)
Program Coordinator	Sue Brewster
Jockey's Room Custodian	Kenneth Bourque
Clocker	Gary Reckner
Claims Clerk	Ron Tomlinson
Outriders	Scott Cole, Robin Riesenbeck, Colby Lavergne, Darrin Cain
Horsemen's Bookkeeper	Laurel Humbert, Tiffany Legget
Track Superintendent	Javier Barajas
Director of Wagering	Jim Goodman
Director of Security	Phil Gardner
Paddock Blacksmith	Arthur S. Tearl
Announcer	Kurt Becker
Stall Superintendent	Dewey Harper

Post time for opening day, April 4 will be 3:00pm EST. Thereafter, the first post daily will be 1:05 p.m. with eight to eleven live races. Keeneland will continue to utilize a date preference system and the following entry schedule:

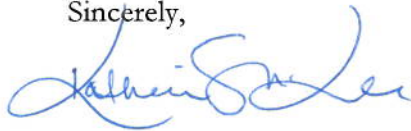
<i><b>Race Date</b></i>	<i><b>Entry Day</b></i>
Friday*	Sunday
Saturday	Wednesday
Sunday	Thursday
Wednesday	Friday
Thursday*	Saturday

*\*Exceptions*

Thursday, April 4	Monday, April 1
Friday, April 5	Tuesday, April 2
Friday, April 26	Tuesday, April 23

Thank you for your consideration.

Sincerely,



Katherine McKee  
Director of Racing Administration



## **KEENELAND DATE PREFERENCE SYSTEM**

The Date System of preference will be used at Keeneland Association as described below:

**Foal Certificates are no longer required to be on file in the racing office to enter or start at Keeneland Association; however, foal certificates must be on file to obtain a preference date and to get a horse tattooed.**

### **Preference by condition eligibility then by:**

1. In over-filled races, preference will be given to horses in order of their assigned preference dates, earliest date first. Horses having identical dates will be chosen by lot, however, where entry and running dates are the same, the horse with the entry date will have preference.
2. All horses intended for racing at Keeneland Association will be assigned a preference date. Dates assigned will be of two types:

#### **E-Date**

This date will correspond to:

- a. The day on which a horse's foal papers and name tag are submitted to the identifier (the earliest date being the day when entries are first taken for the meeting).
- b. The day on which a horse is first entered if his papers are not on file with the identifier.
- c. To qualify for the latter E-Date, a horse must have been excluded from a race which appears on the overnight or he must have been entered in a condition book race which failed to fill through insufficient entries.

#### **R-Date**

This date will correspond to:

- a. The day of a horse's most recent race at Keeneland Association.
  - b. An R-Date will also be assigned to a horse which scratches (provided the foal papers are on file with the identifier).
3. A horse retains his R-Date until he receives a newer R-Date. No horse with an established R-Date may receive an E-Date. A horse whose papers are removed from the identifier's office will lose his date and must subsequently re-establish a date in order to receive preference. A horse with an E-Date cannot receive a newer E-Date. Horses starting at another racetrack will forfeit any date they may have at Keeneland Association.
  4. Preference dates will consist of two categories: Dirt (D) and Turf (T). Preference dates are good for any type of race or distance.
  5. A horse that runs in a race, which has been taken off the Turf will retain its Turf date and establish a Dirt R-Date. A scratched horse will receive an R-Date from the date scratched for both Turf and Dirt.
  6. When a race is taken off the Turf, Main Track Only (MTO) horses will receive an R-Date if they run or scratch. If the race remains on the Turf, MTO horses will retain their previous date.
  7. Horses on the Also-Eligible list shall be permitted to draw into races in order listed. A horse entered as MTO shall be listed as an Also-Eligible. If the race remains on the Turf, a horse listed as MTO shall not be permitted to draw into the race.
  8. No E-Date will be assigned to the second choice of an unsplit same-owner entry.
  9. A horse which has been placed on a list (veterinarian, steward, starter or paddock judge) will lose their date and be assigned an R-Date corresponding to the day removed from list.
  10. A horse which is a scheduled starter in a canceled race will not receive an R-Date for that race but will retain its previous date.
  11. Stakes and handicap races are not subject to date preference.
  12. Preference dates are transferred through change of ownership and changes in trainer after the proper transfer procedure have been completed through the Steward's office and delivered to the Racing Secretary's Office.
  13. Date preference rules will not supersede KHRC rules regarding preference, eligibility or scratches.
  14. Winners will be preferred in all non-maiden races.

### **Condition Eligibility**

- Horses are preferred by their available conditions in all allowance races beginning with Graded stake winners (Grade I-II-III), open stakes winners through their allowance conditions providing the horse has finished 1st, 2nd, 3rd or 4th for \$40,000 or more since starting for less than \$40,000. In allowance/optional claiming races a horse's eligibility cannot exceed the condition of the race. Starter races for less than \$25,000 will be considered as claiming races for condition eligibility.
- No entry will be received except upon the condition that all disputes, claims and objections arising out of the racing or with respect to the interpretation of the conditions of any race shall be decided by the officers of the association, or those whom they may appoint and their decision upon all points shall be final.
- No entry shall be accepted from any stable not provided with a trainer's license.

### **Main Track Only Entries**

- Entries will be accepted in turf races (excluding stakes) for Main Track Only (MTO) horses.
- Trainers must declare the horse as MTO at the time of entry.
- A horse entered as MTO shall be listed as Also-Eligible.
- In an over-filled turf race, Keeneland reserves the right to designate two Main Track Only (MTO) positions on the Also-Eligible List. Also-Eligibles (including MTO) shall be assigned a post position by preference. If preference is equal, post positions shall be drawn by lot, unless otherwise stipulated in the published conditions of the race.
- If the race remains on the turf, a horse listed as MTO shall not be permitted to draw into the race. When a race is removed from the turf, MTO horses will lose any date they have if they run or scratch. If the race remains on the turf, MTO horses will retain their previous date.



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EXECUTIVE DIRECTOR

**PUBLIC PROTECTION CABINET**  
**KENTUCKY HORSE RACING COMMISSION**  
ESTABLISHED 1906  
4063 IRON WORKS PKWY., BLDG. B  
LEXINGTON, KENTUCKY 40511  
TELEPHONE: (859) 246-2040 FAX: (859) 246-2039  
WEBSITE: [HTTP://KHRC.KY.GOV](http://KHRC.KY.GOV)

**TO: KENTUCKY HORSE RACING COMMISSION**

**FROM:** Barbara Borden, Chief State Steward

**DATE:** January 24, 2019

**RE: CHURCHILL DOWNS' PROPOSED 2019 SPRING MEET OFFICIALS & DATES PREFERENCE SYSTEM**

---

By letter dated January 24, 2019, D. Ben Huffman, Racing Secretary, Churchill Downs racetrack, requests approval of the attached Roster of Racing Officials and Dates Preference System for their 2019 Spring Meet. Please be advised all Stewards have been accredited by ROAP (Racing Officials Accreditation Program) and all officials will be licensed by the meet opening.

Approval is recommended.

**COMMISSION ACTION:**

\_\_\_\_\_ Approved

\_\_\_\_\_ Deferred

\_\_\_\_\_ Denied





CHURCHILL DOWNS

Home of the Kentucky Derby®

January 24, 2019

Mr. Marc Guilfoil  
Executive Director  
Kentucky Horse Racing Commission  
4063 Iron Works Parkway  
Lexington, KY 40511

Dear Mr. Guilfoil,

As required by the regulations set forth by the Kentucky Horse Racing Commission, attached is the list of officials for the 2019 Churchill Downs Spring Meet, along with the date preference rules which will be used during this meet, for approval by the Kentucky Horse Racing Commission.

Respectfully submitted,

D. Ben Huffman  
Racing Secretary

Enclosure



## **CHURCHILL DOWNS LIST OF OFFICIALS FOR THE 2019 SPRING MEET**

ASSOCIATION STEWARD:	Tyler Picklesimer
RACING SECRETARY:	Ben Huffman
ASST. RACING SECRETARY/STAKES COORDINATOR	Dan Bork
HORSE IDENTIFIER:	Melinda Vest
ASST. HORSE IDENTIFIER:	Baley Hare
CLERK OF SALES:	Javier Torres
JOCKEY ROOM CUSTODIAN:	Kenneth Bourque
CLAIMS CLERK:	Steve Penrod
PROGRAM COORDINATOR:	Tiffany Bourque
HORSEMEN'S BOOKKEEPER:	Trish Rankin
STARTER:	Scott Jordan
OUTRIDERS:	Greg Blasi Lee Lockwood Shane Hoodenpyle
DIRECTOR OF SECURITY:	TBD
DIRECTOR OF MUTUELS:	Rick Smith
TIMER:	American Teletimer
CLOCKER:	Peter Vestal
ENTRY CLERKS, PADDOCK AND PLACING JUDGES:	Steve Obrekaitis Ron Tomlinson Tia Murphy Jeff Ewalt Allison DeLuca Sue Brewster
ANNOUNCER:	Travis Stone
STALL MANAGER:	Steve Hargrave



## **DATE PREFERENCE SYSTEM**

The Date System of preference will be used at Churchill Downs as described below:

**Foal Certificates are no longer required to be on file in the racing office to enter or start at Churchill Downs; however, foal certificates must be on file to obtain a preference date and to get a horse tattooed. To receive a zero (0) date, foal papers must be on file with the Horse Identifier by Sunday, October 28.**

**Preference by condition eligibility then by:**

1. In over-filled races, preference will be given to horses in order of their assigned preference dates, earliest date first. Horses having identical dates will be chosen by lot, however, where entry and running dates are the same, the horse with the entry date will have preference.
2. All horses intended for racing at Churchill Downs will be assigned a preference date. Dates assigned will be of two types:

### **E-Date**

This date will correspond to:

- a) the day on which a horse's foal papers and name tag are submitted to the identifier (the earliest date being the day when entries are first taken for the meeting).
- b) the day on which a horse is first entered if his papers are not on file with the identifier.

To qualify for the latter E-Date, a horse must have been excluded from a race which appears on the overnight or he must have been entered in a condition book race which failed to fill through insufficient entries.

### **R-Date**

This date will correspond to the day of a horse's most recent race at Churchill Downs.

An R-Date will also be assigned to a horse which scratches, providing the foal papers are on file with the identifier.

3. A horse retains his R-Date until he receives a newer R-Date. No horse with an established R-Date may receive an E-Date. A horse whose papers are removed from the identifier's office will lose his date and must subsequently re-establish a date in order to receive preference. A horse with an E-Date cannot receive a newer E-Date. Horses starting at another racetrack will forfeit any date they may have at Churchill Downs. Additionally, horses racing at Churchill Downs without foal papers on site will not retain their R-Date.
4. Preference dates will consist of two categories: Dirt (D) and Turf (T). Preference dates are good for any type of race or distance.
5. A horse that runs in a race, which has been taken off the Turf will retain its Turf date and establish a Dirt R-Date. A scratched horse will receive an R-Date from the date scratched for both Turf and Dirt.

6. When a race is taken off the Turf, Main Track Only (MTO) horses will receive an R-Date if they run or scratch. If the race remains on the Turf, MTO horses will retain their previous date.
7. Horses on the Also-Eligible list shall be permitted to draw into races in order listed. A horse entered as MTO shall be listed as an Also-Eligible. If the race remains on the Turf, a horse listed as MTO shall not be permitted to draw into the race.
8. No E-Date will be assigned to the second choice of an unsplit same-owner entry.
9. A horse which has been placed on a list (veterinarian, steward, starter or paddock judge) will lose their date and be assigned an R-Date corresponding to the day removed from list (provided the foal papers are on file with the identifier).
10. A horse which is a scheduled starter in a canceled race will not receive an R-Date for that race but will retain its previous date.
11. Stakes and handicap races are not subject to date preference.
12. Preference dates are transferred through change of ownership and changes in trainer after the proper transfer procedure have been completed through the Steward's office and delivered to the Racing Secretary's Office.
13. Date preference rules will not supersede KHRC rules regarding preference, eligibility or scratches.
14. Winners will be preferred in all non-maiden races.



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**To:** Commissioners, Kentucky Horse Racing Commission

**From:** John L. Forgy, General Counsel; Shawn D. Chapman, Deputy General Counsel

**Date:** February 15, 2019

**Re:** Consideration of Kentucky Racing Acquisition, LLC's Proposed Purchase of Kentucky Downs Racetrack and Application for a License to Conduct Horse Racing, Simulcasting, and Pari-mutuel Wagering

---

At the regular meeting on February 19, 2019, the Commission will consider the application of Kentucky Racing Acquisition, LLC for a license to conduct horse racing at the current location of Kentucky Downs in Franklin, KY. Kentucky Racing Acquisition, LLC ("KRA") is a business entity headed by Ron Winchell and Marc Falcone. You will recall that Mr. Winchell and Mr. Falcone spoke on behalf of Kentucky Downs, LLC, at the November 16, 2016 special meeting concerning the competing applications for a license to conduct racing at Oak Grove, Kentucky.

KRA has filed an Initial Application in order to acquire substantially all of the assets of Kentucky Downs, LLC, including the racetrack and HHR facility. Kentucky Downs intends to surrender its license if KRA's application is approved.

The materials you have received include the following:

- (1) Initial Application form;
- (2) Organizational Chart and overview of transaction provided on 12/4/18;
- (3) 1/16/19 letter from Jay Ingle and Proposed Equity Investment Chart;
- (4) 1/18/19 letter from Jay Ingle with financing term sheet, market study, updated organization chart, tax letters, and other material required by statute;
- (5) Financial statement for KRA; and
- (6) Background check reports.



Supplemental information that has been made available for your review includes the following:

- (1) Background check authorizations;
- (2) KRA-Kentucky Downs asset purchase agreement and 9/12/18 letter of intent;
- (3) Operating agreements for KD and its holding company;
- (4) 2/6/2019 letter from Jay Ingle answering questions concerning aspects of the transaction, including the debt financing, and including the operating agreement for ECL Gaming Management, LLC, draft of the credit agreement, further updated organizational charts, 10/29/18 letter of intent, and pro-formas; and
- (5) 2/7/18 letter from Laura Holoubek (attorney for the lenders) with attached information related to the expected lenders.

Please note that all of the materials are confidential and proprietary and should not be disseminated outside the Commission.

**Commission Action**

\_\_\_\_\_Approved

\_\_\_\_\_Denied

\_\_\_\_\_Deferred

## 2018 THOROUGHBRED RULINGS

[illegible]



**2018 TB RULINGS LIST BY CATEGORY ( Through December 31, 2018 )**

**MEDICATION VIOLATIONS**

<b><u>Medication Class</u></b>	<b><u>Total</u></b>	<b><u>Fines</u></b>	<b><u>Suspensions</u></b>	<b><u>Disqualifications</u></b>	<b><u>Appeals</u></b>	<b><u>Explanations</u></b>
Class A	1	1	1	1	1	Dextromethamphetamine - (APPEALED)
Class B	2	2	2	2	1	Cobalt (162 ppb), hydroxylidocaine - (APPEALED)
Class C	16	16	0	16	0	Methocarbamol, Triamcinolone acetonide, Dexamethasone, Betamethasone, Methylprednisolone
Class D	0	0	0	0	0	
NSAIDS	6	2	0	0	0	Flunixin, Pheylbutazone - (4 warning letters issued)
Multiple NSAIDS	4	4	1	0	0	Concentrations of both below the primary level and above the secondary level (suspension for 2nd offense in 365 days)
TCO2	0	0	0	0	0	
		(total \$22,500)				
Subtotal	29					

**NON-MEDICATION VIOLATIONS**

**Jockey Violations**

Careless Riding	17	0	17	0	0	Routine riding offenses
Overly Aggressive Riding	0	0	0	0	0	
Other Disciplinary Violations	7	6	1	0	0	Failed drug screen, violated advertising regulation, improper use of riding crop, failure to fulfill riding engagements, disorderly conduct
		(total \$1,850)				
Subtotal	24					

**Other Licensee Violations**

Misc. violations by licensees	5	5	0	0	0	Violated scratch regulation, failure to honor call, violated advertising regulation
Disorderly conduct, formal ejections, criminal charges	15	3	10	0	0	Pending criminal charges, abusive and profane language, felony conviction, disorderly conduct, conduct against the best interest of racing, falsification of license application, formal ejection from association
Suspended for non payment of fines	1	0	1	0	0	
		(total \$3,850)				
Subtotal	21					

<b>Other Rulings Issued</b>	42	0	0	0	0	The remaining 42 rulings that have been issued in 2018 are for information only and include purse redistributions, licensee restored to good standing, rulings rescinded, falsification of license application, license rescinded without prejudice
<b>TOTAL 2018 RULINGS</b>	116	\$28,200				

## 2019 THOROUGHBRED RULINGS

RULING NUMBER	RULING DATE	INFRACTION DATE	ISSUED TO	DETERMINATION	DRUG CLASS	PENALTY OR ACTION	FINE	STATUS
19-0001	1/3/2019	12/31/2018	Julie Burke	Careless riding		Suspended 3 days (January 5, January 10 and January 11, 2019)		Suspension served
19-0002	1/3/2019	12/14/2018	Arnulfo Rangel	Triamcinolone Acetonide (sample #E300283)	C	Fined	\$ 500	Not Paid
19-0003	1/3/2019	12/14/2018	Petra Hemerkova (owner)	Triamcinolone Acetonide (sample #E300283)	C	DRAGSTER disqualified and purse redistributed. All purse monies must be returned to the association.		DQ and purse redistribution completed
19-0004	1/4/2019	1/1/2019	Jean Carlos Caisamo	Careless riding		Suspended 3 days (January 10 through January 12, 2019, inclusive)		Suspension served
19-0005	1/5/2019	1/5/2019	Bert W. Crawford	License rescinded without prejudice		Rescinded Trainer license and issued Jockey Agent license		
19-0006	1/12/2019	12/26/2018	Victor Olivo	Phenylbutazone (sample #E300444)	NSAID	Fined	\$ 500	Not Paid
19-0007	1/24/2019	12/28/2018	James T. Spicer	Display of temper and use of offensive and profane language		Fined	\$ 200	Not Paid
19-0008	1/26/2019	9/12/2013	Colleen M. Bush	Restored to good standing after telephonic hearing				Suspension lifted
19-0009	1/26/2019	11/29/2018	Bert W. Crawford	Methylprednisolone (sample #E302064)	C	Suspended 20 days (January 27 through February 15, 2019, inclusive) and Fined	\$ 2,000	Current suspension - Fine Not Paid

## 2019 THOROUGHBRED RULINGS

[illegible]

**2019 TB RULINGS LIST BY CATEGORY ( Through February 7, 2019 )**

**MEDICATION VIOLATIONS**

<b><u>Medication Class</u></b>	<b><u>Total</u></b>	<b><u>Fines</u></b>	<b><u>Suspensions</u></b>	<b><u>Disqualifications</u></b>	<b><u>Appeals</u></b>	<b><u>Explanations</u></b>
Class A	0	0	0	0	0	
Class B	0	0	0	0	0	
Class C	2	2	0	2	0	Triamcinolone acetonide, Methylprednisolone
Class D	0	0	0	0	0	
NSAIDS	1	1	0	0	0	Phenylbutazone
Multiple NSAIDS	0	0	0	0	0	
TCO2	0	0	0	0	0	
		(total \$3,000)				
Subtotal	3					

**NON-MEDICATION VIOLATIONS**

**Jockey Violations**

Careless Riding	2	0	2	0	0	Routine riding offenses
Overly Aggressive Riding	0	0	0	0	0	
Other Disciplinary Violations	1	1	0	0	0	Failure to fulfill riding engagements
		(total \$300)				
Subtotal	3					

**Other Licensee Violations**

Misc. violations by licensees	0	0	0	0	0	
Disorderly conduct and formal ejections	1	1	0	0	0	Display of temper and profane language
Suspended for non payment of fines	0	0	0	0	0	
		(total \$200)				
Subtotal	1					

**Other Rulings Issued**      4      0      0      0      0      The remaining 4 rulings that have been issued in 2019 are for information only and include purse redistributions, license rescinded without prejudice and licensee restored to good standing.

**TOTAL 2019 RULINGS**      11      \$3,500

## 2018 STANDARD BRED RULINGS

RULING NUMBER	RULING DATE	INFRACTION DATE	ISSUED TO	DETERMINATION	DRUG PENALTY CLASS	FINE OR WRITTEN WARNING	STATUS	PAID	Suspension (days)	COMMENTS
J2018-001	2/7/2018	8/6/2017	Sean R McAleese	Failure to pay			Suspended	3/5/2018	Suspended Indefinitely	ref Ruling J2017-018
J2018-002	2/7/2018	8/3/2017	Jim T Brinson	Failure to pay			Suspended		Suspended Indefinitely	ref Ruling J2017-025
J2018-003	1/2/2018	12/11/2017	Tyler G Shehan				Restored to good standing	1/2/2018		Paid fine
J2018-004	2/19/2018	8/6/2017	Sean R McAleese				Restored to good standing	2/19/2018		Paid fine
J2018-005	3/20/2018	10/7/2017	James D Mulnix	Betamethasone	4	\$500	Withdrew Appeal			Purse redistribution
J2018-006	5/4/2018	8/3/2017	Jim T Brinson				Restored to good standing	5/3/2018		Paid fine
J2018-007	6/7/2018	6/3/2018	Dakota A Jackson	Careless Driving			Suspended		6/7/18 - 6/13/18	
J2018-008	6/13/2018	5/13/2016	Calvin L Harris	Caffeine	2	Rescinded				Fine rescinded due to mitigating circumstances
J2018-009	6/13/2018	9/6/2018	Calvin L Harris				Restored to good standing	6/13/2018		Paid fine
J2018-010	6/13/2018	11/3/2016	Devernon K Wilson				Restored to good standing	6/13/2018		Paid fine
J2018-011	6/22/2018	6/8/2018	Gary R Campbell	disturbing the peace		\$50	Probation	7/16/2018	remainder of 2018	Paid fine
J2018-012	7/18/2018	6/9/2018	George F Anthrop	TCO2	3	\$1,500		8/2/2018		Paid fine
J2018-013	8/3/2018	7/17/2018	Tyler G Shehan	Falsification of license application			Suspended		7/24/18 - 8/22/18	
J2018-014	8/4/2018	8/3/2018	Randy D Crisler	Failure to Obey Judges Orders		\$50		9/16/2018		Paid fine
J2018-016	8/5/2018	8/4/2018	Jamaal D. Denson	Failure to Obey Judges Orders		\$50		8/30/2018		Paid fine
J2018-017	8/5/2018	8/4/2018	Chris S. Presley	Failure to Obey Judges Orders		\$50		8/30/2018		Paid fine
J2018-018	8/10/2018	8/5/2018	Tyler Alan Smith	Laying back in the sulky		\$50		8/30/2018		Paid fine
J2018-019	8/10/2018	8/5/2018	Mark E Evers	Failure to Obey Judges Orders		\$50		8/22/2018		Paid fine
J2018-020	8/10/2018	8/5/2018	Cameron L McCown	Failure to Obey Judges Orders		\$50		8/29/2018		Paid fine
J2018-021	8/10/2018	8/5/2018	Joshua Sutton	Failure to Obey Judges Orders		\$50		8/12/2018		Paid fine
J2018-022	8/11/2018	8/5/2018	Trevor Gene Smith	Failure to Obey Judges Orders		\$50		10/6/2018		Paid fine
J2018-023	8/11/2018	8/4/2018	Wyatt A Avenatti	Indiscriminate use of whip		\$100		9/6/2018		Paid fine
J2018-024	8/11/2018	8/9/2018	Tom T Tetrick	Indiscriminate use of whip		\$100		8/12/2018		Paid fine
J2018-025	8/19/2018	8/4/2018	Tyler G Shehan	Suspension violation			Probation		remainder of 2018	
J2018-026	8/23/2018	8/12/2018	Dale A Loney	whipping under the shaft		\$100		9/26/2018		Paid fine
J2018-027	9/2/2018	8/30/2018	Andrew John McCarthy	Indiscriminate use of whip		\$200		9/28/2018		Paid fine
J2018-028	8/31/2018	8/25/2018	Jeremy C Bobbitt	causing interference		\$150		9/6/2018		Paid fine
J2018-029	9/7/2018	9/6/2018	Jimmy W Takter	Failure to Obey Judges Orders		\$100		9/7/2018		Paid fine
J2018-030	9/8/2018	8/30/2018	Kevin Thomas	disturbing the peace		\$500				Paid fine per Alicia Ritter
J2018-031	9/8/2018	9/6/2018	Dexter J Dunn	Failure to Obey Judges Orders		\$100				Paid fine per Alicia Ritter
J2018-032	8/30/2018	8/23/2018	Rodney L DeBeck	causing interference			Suspended		8/29/18 - 9/2/18	
J2018-033	9/21/2018	9/8/2018	Cameron L McCown	Failure to Obey Judges Orders		\$100				Fine rescinded per Tim Schmitz
J2018-034	9/25/2018	9/15/2018	Jamaal D. Denson	Indiscriminate use of whip		\$100		10/11/2018		Paid Fine
J2018-035	9/21/2018	9/16/2018	Daniel Dube	Indiscriminate use of whip		\$200		10/11/2018		Paid Fine
J2018-036	10/4/2018	9/29/2018	Andy Miller	Indiscriminate use of whip		\$200		10/4/2018		Paid Fine
J2018-037	10/5/2018	9/28/2018	Dale Loney	Failure to pay			Restored to good standing			Suspended in error, fine paid 9/26/18
J2018-038	10/5/2018	10/4/2018	Joseph Pennacchio	Indiscriminate use of whip		\$200		10/5/2018		Paid fine



# KHRC Veterinary Report

## Churchill Downs November Meet 2018

<b>Total Starts</b>	2022
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Post Race Samples	512
tCO <sub>2</sub>	387

<b>Veterinary Scratches</b>	14
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Pre-Race	8
On-Track	6
Soundness related	4
Gate/paddock Injury	2

<b>KHRC Veterinary List</b>	22
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Scratches	14
Race Injuries/post race lame/test barn lame	5
EIPH	3
Heat Distress	0

<b>Ambulance Runs</b>	12
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<b>Racing Fatalities</b>	5
musculo-skeletal	4
sudden death	1

<b>Training Fatalities</b>	0
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# KHRC Veterinary Report

## Turfway Holiday Meet 2018

<b>Total Starts</b>	1438
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Post Race Samples	336
tCO <sub>2</sub>	190

<b>Veterinary Scratches</b>	16
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Pre-Race	5
On-Track	11
Soundness related	7
Gate/paddock Injury	4

<b>KHRC Veterinary List</b>	26
-----------------------------	----

Scratches	16
Race Injuries/post r t race lame/test barn lame	8
EIPH	2

<b>Ambulance Runs</b>	7
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<b>Racing Fatalities</b>	4
musculo-skeletal	4

<b>Training Fatalities</b>	1
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## TESTING SUMMARY-2018

BREED	Number of Race Starts (Source)	Total Number of Horses Sampled/Tested Post-Race	Post-Race Testing		Pre-Race TCO <sub>2</sub> Testing (blood)	Out-of-Competition Testing (blood)	Post-work Testing (blood)	Post-injury Testing (blood)
			Blood only samples	Paired (blood & urine) Samples				
TB	15,049 (Equibase)	Sampled: 3,828 1 per 3.9 starts Tested: 3,127 1 per 4.8 starts	Collected: 47 Tested: 42 Retained: 5	Collected: 3,781 Tested: 3,085 Retained: 696 99% paired-sample collection rate	2,262	328	82	77
STD	3,583 (USTA)	Sampled: 526 1 per 6.8 starts Tested: 520 1 per 6.9 starts	Collected: 91 Tested: 89 Retained: 2	Collected: 435 Tested: 431 Retained: 4 82% paired-sample collection rate	753	23	1	2
<b>TOTAL</b>	<b>18,632</b>	<b>Sampled: 4,354</b> 1 per 4.3 starts <b>Tested: 3,647</b> 1 per 5.1 starts	<b>Collected: 138</b> <b>Tested: 131</b> <b>Retained: 7</b>	<b>Collected: 4,216</b> <b>Tested: 3,516</b> <b>Retained: 700</b>	<b>3,015</b>	<b>351</b>	<b>83</b>	<b>79</b>

## 2018 DRUG TESTING RESULTS

### STANDARD BRED

Substance	Penalty	Frequency
(none)	A	0
Cannabidiol	B	1
Procaine	B	1
TCO <sub>2</sub>	B	1
Betamethasone	C	1
Methylprednisolone	C	1
Omeprazole	D	1

STD total ROF	6
Total Race Starts	3,583
1 Violation per:	597 starts

## THOROUGHBRED

Substance	Penalty	Frequency
Cardarine	A	1
d-Methamphetamine	A	2
Meprobamate*	A	1
Acepromazine	B	2
Carisoprodol*	B	1
Clenbuterol	B	1
Lidocaine	B	1
Betamethasone	C	3
Dexamethasone	C	8
Ibuprofen**	C	1
Methocarbamol	C	4
Methylprednisolone	C	2
Naproxen**	C	1
Triamcinolone	C	2
2 NSAIDS > 2° threshold	NSAID	4
Flunixin	NSAID	3
Ketoprofen	NSAID	1
PBZ > 2 mcg/ml < 5 mcg/ml	NSAID	3

TB Total ROF	41
Total Race Starts	15,049
1 Violation per:	367 starts

\*Meprobamate and carisoprodol were detected in the same sample.

\*\*Ibuprofen and naproxen were detected in the same sample.

## Occurrence of Thoroughbred race-related fatalities in Kentucky 2007 to present

Year	Category Non-musculoskeletal: EIPH, Sudden Death, Racing Accident	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total	Starts (Equibase)	Fatalities per 1,000 starts
2007	Musculoskeletal	2	1	5	2	4	3	4	2	2	3	4	5	37	23,180	1.60
	Non-musculoskeletal	0	0	0	0	0	0	0	0	0	1	0	0	1		0.04
	<b>TOTAL</b>	2	1	5	2	4	3	4	2	2	4	4	5	38		<b>1.64</b>
2008	Musculoskeletal	3	0	4	2	3	2	2	2	3	2	4	8	35	22,278	1.57
	Non-musculoskeletal	0	0	0	0	0	0	0	0	0	0	0	0	0		0.00
	<b>TOTAL</b>	3	0	4	2	3	2	2	2	3	2	4	8	35		<b>1.57</b>
2009	Musculoskeletal	3	5	1	2	4	1	2	4	3	3	2	3	33	20,142	1.64
	Non-musculoskeletal	0	0	0	0	0	0	0	0	0	0	0	0	0		0.00
	<b>TOTAL</b>	3	5	1	2	4	1	2	4	3	3	2	3	33		<b>1.64</b>
2010	Musculoskeletal	2	1	2	0	0	2	4	2	1	3	7	1	25	18,167	1.38
	Non-musculoskeletal	0	0	1	1	0	0	0	0	0	0	0	0	2		0.11
	<b>TOTAL</b>	2	1	3	1	0	2	4	2	1	3	7	1	27		<b>1.49</b>
2011	Musculoskeletal	2	2	1	1	2	5	1	3	2	5	3	1	28	18,258	1.53
	Non-musculoskeletal	0	0	0	0	0	0	0	0	1	0	0	0	1		0.05
	<b>TOTAL</b>	2	2	1	1	2	5	1	3	3	5	3	1	29		<b>1.59</b>
2012	Musculoskeletal	0	0	1	2	9	2	0	2	0	3	5	3	27	17,513	1.54
	Non-musculoskeletal	0	0	0	0	0	0	0	0	0	1	0	0	1		0.06
	<b>TOTAL</b>	0	0	1	2	9	2	0	2	0	4	5	3	28		<b>1.60</b>



Year	Category Non-musculoskeletal: EIPH, Sudden Death, Racing Accident	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total	Starts (Equibase)	Fatalities per 1,000 starts
2013	Musculoskeletal	2	2	0	0	1	2	2	5	3	1	1	3	22	16,242	1.35
	Non-musculoskeletal	0	0	0	0	0	0	0	0	1	0	0	0	1		0.06
	TOTAL	2	2	0	0	1	2	1	5	4	1	1	3	23		1.42
2014	Musculoskeletal	2	2	0	0	3	0	1	1	1	3	3	0	16	14,460	1.11
	Non-musculoskeletal	0	0	0	0	0	0	0	0	0	0	0	0	0		0.00
	TOTAL	2	2	0	0	3	0	1	1	1	3	3	0	16		1.11
2015	Musculoskeletal	3	1	1	0	3	2	1	1	3	3	2	1	21	15,514	1.35
	Non-musculoskeletal	0	0	0	0	0	1	0	1	0	0	0	0	2		0.13
	TOTAL	3	1	1	0	3	3	1	2	3	3	3	1	23		1.48
2016	Musculoskeletal	0	2	0	4	4	3	1	0	1	2	5	1	23	16,495	1.39
	Non-musculoskeletal	0	0	0	0	0	2	1	0	0	0	0	0	3		0.18
	TOTAL	0	2	0	4	4	5	2	0	1	2	5	1	26		1.58
2017	Musculoskeletal	1	2	1	2	1	3	0	1	2	3	2	0	18	15,032	1.20
	Non-musculoskeletal	0	0	0	0	0	2	0	0	0	0	0	0	2		0.13
	TOTAL	1	2	1	2	1	5	0	1	2	3	2	0	20		1.33
2018	Musculoskeletal	2	1	0	4	3	1	6	0	7	1	3	4	32	15,049	2.13
	Non-musculoskeletal	0	0	1	0	1	0	0	1	0	0	1	0	4		0.27
	TOTAL	2	1	1	4	4	1	6	1	7	1	4	4	36		2.39
2019	Musculoskeletal	0												0		
	Non-musculoskeletal	0												0		
	TOTAL	0												0		

# Kentucky Pari-Mutuel Excise Tax and BIF by Source, July 1, 2018 - January 31, 2019

Racetrack/ADW	Thoroughbred Development Fund		Standardbred Development Fund		QH/Other Development Fund		Equine Industry Program		Equine Drug Research		Higher Education Fund		Backside Improvement Fund		ADW Host Track Allocation		ADW Purse Allocation		Kentucky General Fund		Total Excise Tax FYTD-19	
	FYTD-19	% of Fund Total	FYTD-19	% of Fund Total	FYTD-19	% of Fund Total	FYTD-19	% of Fund Total	FYTD-19	% of Fund Total	FYTD-19	% of Fund Total	FYTD-19	% of Fund Total	FYTD-19	% of Fund Total	FYTD-19	% of Fund Total	FYTD-19	% of Fund Total	FYTD-19	Total Excise Tax
<b>Live</b>	\$253,696	3.2%	\$17,362	1.9%			\$70,430	9.4%	\$35,215	8.4%	\$35,215	8.4%	\$169,131	100.0%					\$119,780	1.9%	\$700,829	4.0%
Blue Grass Downs																						
Churchill Downs	\$79,040	1.0%					\$21,077	2.8%	\$10,539	2.5%	\$10,539	2.5%	\$52,693	31.2%					\$36,885	0.6%	\$210,773	1.2%
Ellis Park	\$30,979	0.4%					\$8,261	1.1%	\$4,130	1.0%	\$4,130	1.0%	\$20,652	12.2%					\$14,457	0.2%	\$82,610	0.5%
Keeneland	\$123,149	1.5%					\$32,840	4.4%	\$16,420	3.9%	\$16,420	3.9%	\$82,099	48.5%					\$57,470	0.9%	\$328,397	1.9%
Kentucky Downs	\$8,387	0.1%					\$2,237	0.3%	\$1,118	0.3%	\$1,118	0.3%	\$5,591	3.3%					\$3,914	0.1%	\$22,366	0.1%
The Red Mile			\$17,362	1.9%			\$2,778	0.4%	\$1,389	0.3%	\$1,389	0.3%							\$1,389	0.0%	\$24,307	0.1%
Thunder Ridge																						
Turfway Park	\$12,141	0.2%					\$3,238	0.4%	\$1,619	0.4%	\$1,619	0.4%	\$8,094	4.8%					\$5,666	0.1%	\$32,376	0.2%
<b>Simulcast</b>	\$1,237,548	15.4%	\$32,267	3.6%	\$8,718	100.0%	\$31,963	4.2%	\$63,927	15.3%	\$63,927	15.3%							\$479,450	7.5%	\$1,917,800	10.9%
Blue Grass Downs																						
Churchill Downs	\$331,183	4.1%	\$1,339	0.1%	\$3,286	37.7%	\$8,395	1.1%	\$16,790	4.0%	\$16,790	4.0%							\$125,928	2.0%	\$503,712	2.9%
Ellis Park	\$177,870	2.2%	\$15,918	1.8%	\$50	0.6%	\$4,846	0.6%	\$9,692	2.3%	\$9,692	2.3%							\$72,689	1.1%	\$290,758	1.6%
Keeneland	\$395,832	4.9%			\$1,321	15.2%	\$9,929	1.3%	\$19,858	4.7%	\$19,858	4.7%							\$148,932	2.3%	\$595,729	3.4%
Kentucky Downs	\$121,818	1.5%	\$9,039	1.0%	\$2,942	33.7%	\$3,345	0.4%	\$6,690	1.6%	\$6,690	1.6%							\$50,174	0.8%	\$200,697	1.1%
The Red Mile																						
Thunder Ridge																						
Turfway Park	\$210,845	2.6%	\$5,972	0.7%	\$1,120	12.8%	\$5,448	0.7%	\$10,897	2.6%	\$10,897	2.6%							\$81,726	1.3%	\$326,905	1.9%
<b>ADW</b>															\$265,914	100.0%	\$265,914	100.0%	\$93,852	1.5%	\$625,680	3.5%
AmWest Entertainment															\$593	0.2%	\$593	0.2%	\$209	0.0%	\$1,396	0.0%
eBet Technologies															\$1,608	0.6%	\$1,608	0.6%	\$568	0.0%	\$3,784	0.0%
Horse Races Now															\$10	0.0%	\$10	0.0%	\$4	0.0%	\$24	0.0%
Lien Games															\$182	0.1%	\$182	0.1%	\$64	0.0%	\$429	0.0%
NYRA Bets															\$4,917	1.8%	\$4,917	1.8%	\$1,735	0.0%	\$11,570	0.1%
TVG															\$82,865	31.2%	\$82,865	31.2%	\$29,246	0.5%	\$194,976	1.1%
TwinSpires															\$138,838	52.2%	\$138,838	52.2%	\$49,002	0.8%	\$326,679	1.9%
Watch And Wager															\$236	0.1%	\$236	0.1%	\$83	0.0%	\$556	0.0%
XpressBet															\$36,663	13.8%	\$36,663	13.8%	\$12,940	0.2%	\$86,267	0.5%
<b>HHR</b>	\$6,553,507	81.5%	\$858,647	94.5%			\$650,000	86.4%	\$320,000	76.3%	\$320,000	76.3%							\$5,692,830	89.1%	\$14,394,984	81.6%
Derby City Gaming	\$1,791,802	22.3%					\$52,856	7.0%	\$26,021	6.2%	\$26,022	6.2%							\$1,686,903	26.4%	\$3,583,604	20.3%
Ellis Park	\$394,562	4.9%					\$45,123	6.0%	\$22,214	5.3%	\$22,214	5.3%							\$305,010	4.8%	\$789,124	4.5%
Keeneland/Red Mile	\$643,985	8.0%	\$858,647	94.5%			\$136,605	18.2%	\$67,251	16.0%	\$67,251	16.0%							\$802,201	12.6%	\$2,575,940	14.6%
Kentucky Downs	\$3,723,158	46.3%					\$415,416	55.2%	\$204,513	48.8%	\$204,513	48.8%							\$2,898,716	45.4%	\$7,446,316	42.2%
<b>Grand Total</b>	<b>\$8,044,751</b>	<b>100.0%</b>	<b>\$908,276</b>	<b>100.0%</b>	<b>\$8,718</b>	<b>100.0%</b>	<b>\$752,394</b>	<b>100.0%</b>	<b>\$419,142</b>	<b>100.0%</b>	<b>\$419,142</b>	<b>100.0%</b>	<b>\$169,131</b>	<b>100.0%</b>	<b>\$265,914</b>	<b>100.0%</b>	<b>\$265,914</b>	<b>100.0%</b>	<b>\$6,385,913</b>	<b>100.0%</b>	<b>\$17,639,294</b>	<b>100.0%</b>



## Kentucky Handle and Excise Tax Report for January, 2019

	January-19	January-18	% Change	FYTD - 2019	FYTD - 2018	% Change
Live Racing Dates	11	9	22.2%	148	149	-0.7%
On-Track Live Handle	\$ 563,947	\$ 477,966	18.0%	\$ 35,215,092	\$ 37,205,639	-5.4%
On-Track Simulcast Handle	\$ 9,894,150	\$ 10,000,654	-1.1%	\$ 77,184,905	\$ 84,115,653	-8.2%
Kentucky Resident ADW Handle	\$ 13,484,183	\$ 13,424,511	0.4%	\$ 125,136,084	\$ 112,444,248	11.3%
Historical Horse Racing Handle	\$ 169,506,445	\$ 77,773,828	117.9%	\$ 959,665,608	\$ 584,938,522	64.1%
<b>Total Taxable Handle</b>	<b>\$ 193,448,725</b>	<b>\$ 101,676,959</b>	<b>90.3%</b>	<b>\$ 1,197,201,689</b>	<b>\$ 818,704,061</b>	<b>46.2%</b>
TB Development Fund	\$ 1,340,353	\$ 669,488	100.2%	\$ 8,044,751	\$ 5,380,673	49.5%
SB Development Fund	\$ 131,884	\$ 107,033	23.2%	\$ 908,276	\$ 851,342	6.7%
QH/Arabian Development Fund	\$ 830	\$ 1,249	-33.5%	\$ 8,718	\$ 11,631	-25.0%
Backside Improvement Fund	\$ 2,820	\$ 2,390	18.0%	\$ 169,131	\$ 179,228	-5.6%
Equine Industry Program	\$ 5,267	\$ 5,081	3.7%	\$ 752,394	\$ 758,662	-0.8%
Equine Drug Research	\$ 8,842	\$ 8,729	1.3%	\$ 419,142	\$ 425,707	-1.5%
Higher Education Fund	\$ 8,842	\$ 8,729	1.3%	\$ 419,142	\$ 425,707	-1.5%
ADW Host Track Allocation (Note 1)	\$ 28,654	\$ 28,527	0.4%	\$ 265,914	\$ 238,944	11.3%
ADW Purse Allocation (Note 1)	\$ 28,654	\$ 28,527	0.4%	\$ 265,914	\$ 238,944	11.3%
KY General Fund	\$ 1,313,500	\$ 631,069	108.1%	\$ 6,385,913	\$ 3,621,202	76.3%
<b>Total KY Excise Tax</b>	<b>\$ 2,869,646</b>	<b>\$ 1,490,822</b>	<b>92.5%</b>	<b>\$ 17,639,294</b>	<b>\$ 12,132,039</b>	<b>45.4%</b>



Note 1 - As per KRS 138.530

# Kentucky Live and Simulcast Wagering Report for January, 2019

## Live Racing

	January-19	January-18	% Change	FYTD - 2019	FYTD - 2018	% Change
Race Dates	11	9	22.2%	148	149	-0.7%
<b>On-Track Handle on All Kentucky Races (OTH)</b>	\$ 563,947	\$ 477,966	18.0%	\$ 35,215,092	\$ 37,205,639	-5.4%
Less: Return to Public	\$ 448,772	\$ 380,784		\$ 28,243,895	\$ 29,604,599	
Less: Breakage	\$ 3,710	\$ 3,065		\$ 228,087	\$ 242,665	
<b>Gross Commission</b>	<u>\$ 111,465</u>	<u>\$ 94,116</u>	18.4%	<u>\$ 6,743,110</u>	<u>\$ 7,358,375</u>	-8.4%
TB Development Fund (0.75% of On-Track TB Handle)	\$ 4,230	\$ 3,585	18.0%	\$ 253,696	\$ 268,843	-5.6%
SB Development Fund (1.25% of On-Track SB Handle)				\$ 17,362	\$ 16,999	2.1%
Equine Industry Program (0.2% of OTH)	\$ 1,128	\$ 956	18.0%	\$ 70,430	\$ 74,411	-5.4%
Equine Drug Research (0.1% of OTH)	\$ 564	\$ 478	18.0%	\$ 35,215	\$ 37,206	-5.4%
Higher Education Fund (0.1% of OTH)	\$ 564	\$ 478	18.0%	\$ 35,215	\$ 37,206	-5.4%
KY General Fund (0.35% of OTH TB, 0.1% OTH SB)	\$ 1,974	\$ 1,673	18.0%	\$ 119,780	\$ 126,820	-5.6%
<b>Total KY Excise Tax (1.5% of OTH TB, 1.75% of OTH SB)</b>	<u>\$ 8,459</u>	<u>\$ 7,169</u>	18.0%	<u>\$ 531,699</u>	<u>\$ 561,484</u>	-5.3%
<b>% of Gross Commission</b>	7.59%	7.62%		7.89%	7.63%	
Backside Improvement Fund (0.5% of Total OTH at TB Tracks)	\$ 2,820	\$ 2,390	18.0%	\$ 169,131	\$ 179,228	-5.6%
<b>Net Commission</b>	\$ 100,186	\$ 84,557	18.5%	\$ 6,042,281	\$ 6,617,662	-8.7%
% of On-Track Handle	17.77%	17.69%		17.16%	17.79%	
<b>Off-Track Handle on All Kentucky Races From</b>						
Other KY Tracks	\$ 326,175	\$ 249,463	30.8%	\$ 7,860,838	\$ 8,656,095	-9.2%
Kentucky Licensed ADW's	\$ 577,264	\$ 413,841	39.5%	\$ 24,625,024	\$ 19,728,894	24.8%
Other Sources	\$ 13,124,571	\$ 10,637,762	23.4%	\$ 354,846,996	\$ 308,631,053	15.0%
<b>All Sources Handle on Live Racing</b>	<u>\$ 14,591,957</u>	<u>\$ 11,779,031</u>	23.9%	<u>\$ 422,547,949</u>	<u>\$ 374,221,681</u>	12.9%
Average Daily Handle - On Track	\$ 51,268	\$ 53,107	-3.5%	\$ 237,940	\$ 249,702	-4.7%
Average Daily Handle - All Sources	\$ 1,326,542	\$ 1,308,781	1.4%	\$ 2,855,054	\$ 2,511,555	13.7%

## Simulcast Wagering on Other Tracks (Note: Standardbred Facilities Only Taxed on Live Racing)

Handle by Breed						
Thoroughbred Simulcast Handle (TBSH)	\$ 8,282,600	\$ 8,367,104	-1.0%	\$ 63,969,084	\$ 68,934,183	-7.2%
Standardbred Simulcast Handle (SBSH)	\$ 1,560,549	\$ 1,557,716	0.2%	\$ 12,688,844	\$ 14,414,099	-12.0%
Quarter Horse/Arabian/Paint/Mule Simulcast Handle (QSHS)	\$ 51,002	\$ 75,835	-32.7%	\$ 526,977	\$ 767,371	-31.3%
<b>All-Breed Total Simulcast Handle (TSH)</b>	<u>\$ 9,894,150</u>	<u>\$ 10,000,654</u>	-1.1%	<u>\$ 77,184,905</u>	<u>\$ 84,115,653</u>	-8.2%
TB Development Fund (2% of TBSH at TB Tracks)	\$ 160,743	\$ 160,177	0.4%	\$ 1,237,548	\$ 1,327,030	-6.7%
SB Development Fund (2% of SBSH at TB Tracks)	\$ 3,994	\$ 3,597	11.0%	\$ 32,267	\$ 31,356	2.9%
QH/Arabian Development Fund (2% of QSHS at TB Tracks)	\$ 830	\$ 1,249	-33.5%	\$ 8,718	\$ 11,631	-25.0%
Equine Industry Program (0.05% of TSH at TB Tracks)	\$ 4,139	\$ 4,126	0.3%	\$ 31,963	\$ 34,250	-6.7%
Equine Drug Research (0.1% of TSH at TB Tracks)	\$ 8,278	\$ 8,251	0.3%	\$ 63,927	\$ 68,501	-6.7%
Higher Education Fund (0.1% of TSH at TB Tracks)	\$ 8,278	\$ 8,251	0.3%	\$ 63,927	\$ 68,501	-6.7%
KY General Fund (0.75% of TSH at TB Tracks)	\$ 62,087	\$ 61,883	0.3%	\$ 479,450	\$ 513,757	-6.7%
<b>Total KY Excise Tax (3% of TSH at TB Tracks)</b>	<u>\$ 248,350</u>	<u>\$ 247,533</u>	0.3%	<u>\$ 1,917,800</u>	<u>\$ 2,055,027</u>	-6.7%

**Blue Grass Downs Live and Simulcast Wagering Report for January, 2019**  
**Live Racing**

	January-19	January-18	% Change	FYTD - 2019	FYTD - 2018	% Change
Race Dates					5	-100.0%
<b>On-Track Handle (OTH)</b>					\$ 6,347	-100.0%
Less: Return to Public					\$ 4,978	
Less: Breakage					\$ 58	
<b>Gross Commission</b>					\$ 1,311	-100.0%
SB Development Fund (1.25% of OTH)					\$ 79	-100.0%
Equine Industry Program (0.2% of OTH)					\$ 13	-100.0%
Equine Drug Research (0.1% of OTH)					\$ 6	-100.0%
Higher Education Fund (0.1% of OTH)					\$ 6	-100.0%
KY General Fund (0.1% of OTH)					\$ 6	-100.0%
<b>Total KY Excise Tax (1.75% of OTH)</b>					\$ 111	-100.0%
% of Gross Commission					8.47%	
<b>Net Commission</b>					\$ 1,200	-100.0%
% of On-Track Handle					18.90%	
<b>Off-Track Handle on Kentucky Races From</b>						
Other KY Tracks						
Kentucky Licensed ADW's						
Other Sources						
<b>All Sources Handle on Live Racing (On- and Off-Track)</b>					\$ 6,347	-100.0%
Average Daily Handle - On Track					\$ 1,269	
Average Daily Handle - All Sources					\$ 1,269	
<b>Simulcast Wagering on Other Tracks (Note: Standardbred Facilities Only Taxed on Live Racing)</b>						
Handle by Breed						
Thoroughbred Simulcast Handle (TBSH)	\$ 245,457	\$ 358,265	-31.5%	\$ 2,091,688	\$ 2,263,021	-7.6%
Standardbred Simulcast Handle (SBSH)				\$ 59,384	\$ 56,394	5.3%
Quarter Horse/Other Simulcast Handle (QSHS)	\$ 1,842	\$ 1,200	53.5%	\$ 6,091	\$ 7,220	-15.6%
<b>All-Breed Total Simulcast Handle (TSH)</b>	<b>\$ 247,299</b>	<b>\$ 359,465</b>	<b>-31.2%</b>	<b>\$ 2,157,163</b>	<b>\$ 2,326,635</b>	<b>-7.3%</b>

# Churchill Downs Live and Simulcast Wagering Report for January, 2019

## Live Racing

	January-19	January-18	% Change	FYTD - 2019	FYTD - 2018	% Change
Race Dates				30	32	-6.3%
<b>On-Track Handle (OTH)</b>				\$ 10,538,654	\$ 11,013,435	-4.3%
Less: Return to Public				\$ 8,392,579	\$ 8,759,576	
Less: Breakage				\$ 67,330	\$ 70,402	
<b>Gross Commission</b>				\$ 2,078,744	\$ 2,183,457	-4.8%
TB Development Fund (0.75% of OTH)				\$ 79,040	\$ 82,601	-4.3%
Equine Industry Program (0.2% of OTH)				\$ 21,077	\$ 22,027	-4.3%
Equine Drug Research (0.1% of OTH)				\$ 10,539	\$ 11,013	-4.3%
Higher Education Fund (0.1% of OTH)				\$ 10,539	\$ 11,013	-4.3%
KY General Fund (0.35% of OTH)				\$ 36,885	\$ 38,547	-4.3%
<b>Total KY Excise Tax (1.5% of OTH)</b>				\$ 158,080	\$ 165,202	-4.3%
% of Gross Commission				7.60%	7.57%	
Backside Improvement Fund (0.5% of OTH)				\$ 52,693	\$ 55,067	-4.3%
<b>Net Commission</b>				\$ 1,867,971	\$ 1,963,188	-4.9%
% of On-Track Handle				17.72%	17.83%	
<b>Off-Track Handle on Kentucky Races From</b>						
Other KY Tracks				\$ 2,364,342	\$ 2,768,552	-14.6%
Kentucky Licensed ADW's				\$ 9,817,472	\$ 7,783,734	26.1%
Other Sources				\$ 128,982,201	\$ 113,645,724	13.5%
<b>All Sources Handle on Live Racing (On- and Off-Track)</b>				\$ 151,702,668	\$ 135,211,445	12.2%
Average Daily Handle - On Track				\$ 351,288	\$ 344,170	2.1%
Average Daily Handle - All Sources				\$ 5,056,756	\$ 4,225,358	19.7%

## Simulcast Wagering on Other Tracks

Handle by Breed						
Thoroughbred Simulcast Handle (TBSH)	\$ 2,063,243	\$ 2,002,644	3.0%	\$ 16,559,166	\$ 19,136,667	-13.5%
Standardbred Simulcast Handle (SBSH)	\$ 11,925	\$ 8,358	42.7%	\$ 66,931	\$ 45,545	47.0%
Quarter Horse/Other Simulcast Handle (QHSH)	\$ 5,766	\$ 10,427	-44.7%	\$ 164,300	\$ 153,691	6.9%
<b>All-Breed Total Simulcast Handle (TSH)</b>	\$ 2,080,934	\$ 2,021,429	2.9%	\$ 16,790,397	\$ 19,335,903	-13.2%
TB Development Fund (2% of TBSH)	\$ 41,265	\$ 40,053	3.0%	\$ 331,183	\$ 382,733	-13.5%
SB Development Fund (2% of SBSH)	\$ 239	\$ 167	42.7%	\$ 1,339	\$ 911	47.0%
QH/Other Development Fund (2% of QHSH)	\$ 115	\$ 209	-44.7%	\$ 3,286	\$ 3,074	6.9%
Equine Industry Program (0.05% of TSH)	\$ 1,040	\$ 1,011	2.9%	\$ 8,395	\$ 9,668	-13.2%
Equine Drug Research (0.1% of TSH)	\$ 2,081	\$ 2,021	2.9%	\$ 16,790	\$ 19,336	-13.2%
Higher Education Fund (0.1% of TSH)	\$ 2,081	\$ 2,021	2.9%	\$ 16,790	\$ 19,336	-13.2%
KY General Fund (0.75% of TSH)	\$ 15,607	\$ 15,161	2.9%	\$ 125,928	\$ 145,019	-13.2%
<b>Total KY Excise Tax (3% of TSH)</b>	\$ 62,428	\$ 60,643	2.9%	\$ 503,712	\$ 580,077	-13.2%



**Ellis Park Live and Simulcast Wagering Report for January, 2019**  
**Live Racing**

	January-19	January-18	% Change	FYTD - 2019	FYTD - 2018	% Change
Race Dates				29	31	-6.5%
<b>On-Track Handle (OTH)</b>				\$ 4,130,485	\$ 4,784,068	-13.7%
Less: Return to Public				\$ 3,283,472	\$ 3,805,634	
Less: Breakage				\$ 32,897	\$ 38,662	
<b>Gross Commission</b>				<u>\$ 814,116</u>	<u>\$ 939,772</u>	-13.4%
TB Development Fund (0.75% of OTH)				\$ 30,979	\$ 35,881	-13.7%
Equine Industry Program (0.2% of OTH)				\$ 8,261	\$ 9,568	-13.7%
Equine Drug Research (0.1% of OTH)				\$ 4,130	\$ 4,784	-13.7%
Higher Education Fund (0.1% of OTH)				\$ 4,130	\$ 4,784	-13.7%
KY General Fund (0.35% of OTH)				\$ 14,457	\$ 16,744	-13.7%
<b>Total KY Excise Tax (1.5% of OTH)</b>				<u>\$ 61,957</u>	<u>\$ 71,761</u>	-13.7%
% of Gross Commission				7.61%	7.64%	
Backside Improvement Fund (0.5% of OTH)				\$ 20,652	\$ 23,920	-13.7%
<b>Net Commission</b>				\$ 731,506	\$ 844,091	-13.3%
% of On-Track Handle				17.71%	17.64%	
<b>Off-Track Handle on Kentucky Races From</b>						
Other KY Tracks				\$ 1,593,040	\$ 2,183,614	-27.0%
Kentucky Licensed ADW's				\$ 2,231,809	\$ 1,943,347	14.8%
Other Sources				\$ 31,056,086	\$ 31,839,064	-2.5%
<b>All Sources Handle on Live Racing (On- and Off-Track)</b>				<u>\$ 39,011,421</u>	<u>\$ 40,750,093</u>	-4.3%
Average Daily Handle - On Track				\$ 142,431	\$ 154,325	-7.7%
Average Daily Handle - All Sources				\$ 1,345,221	\$ 1,314,519	2.3%

**Simulcast Wagering on Other Tracks**

Handle by Breed						
Thoroughbred Simulcast Handle (TBSH)	\$ 1,019,271	\$ 1,136,462	-10.3%	\$ 8,893,511	\$ 9,323,489	-4.6%
Standardbred Simulcast Handle (SBSH)	\$ 100,672	\$ 85,886	17.2%	\$ 795,895	\$ 679,181	17.2%
Quarter Horse/Other Simulcast Handle (QSHS)		\$ 2,588	-100.0%	\$ 2,517	\$ 49,445	-94.9%
<b>All-Breed Total Simulcast Handle (TSH)</b>	<u>\$ 1,119,943</u>	<u>\$ 1,224,935</u>	-8.6%	<u>\$ 9,691,922</u>	<u>\$ 10,052,114</u>	-3.6%
TB Development Fund (2% of TBSH)	\$ 20,385	\$ 22,729	-10.3%	\$ 177,870	\$ 186,470	-4.6%
SB Development Fund (2% of SBSH)	\$ 2,013	\$ 1,718	17.2%	\$ 15,918	\$ 13,584	17.2%
QH/Other Development Fund (2% of QSHS)		\$ 52	-100.0%	\$ 50	\$ 989	-94.9%
Equine Industry Program (0.05% of TSH)	\$ 560	\$ 612	-8.6%	\$ 4,846	\$ 5,026	-3.6%
Equine Drug Research (0.1% of TSH)	\$ 1,120	\$ 1,225	-8.6%	\$ 9,692	\$ 10,052	-3.6%
Higher Education Fund (0.1% of TSH)	\$ 1,120	\$ 1,225	-8.6%	\$ 9,692	\$ 10,052	-3.6%
KY General Fund (0.75% of TSH)	\$ 8,400	\$ 9,187	-8.6%	\$ 72,689	\$ 75,391	-3.6%
<b>Total KY Excise Tax (3% of TSH)</b>	<u>\$ 33,598</u>	<u>\$ 36,748</u>	-8.6%	<u>\$ 290,758</u>	<u>\$ 301,563</u>	-3.6%

**Keeneland Live and Simulcast Wagering Report for January, 2019**  
**Live Racing**

	January-19	January-18	% Change	FYTD - 2019	FYTD - 2018	% Change
Race Dates				17	17	
<b>On-Track Handle (OTH)</b>				\$ 16,419,870	\$ 17,582,871	-6.6%
Less: Return to Public				\$ 13,294,951	\$ 14,005,591	
Less: Breakage				\$ 104,472	\$ 116,362	
<b>Gross Commission</b>				\$ 3,020,447	\$ 3,460,919	-12.7%
TB Development Fund (0.75% of OTH)				\$ 123,149	\$ 131,872	-6.6%
Equine Industry Program (0.2% of OTH)				\$ 32,840	\$ 35,166	-6.6%
Equine Drug Research (0.1% of OTH)				\$ 16,420	\$ 17,583	-6.6%
Higher Education Fund (0.1% of OTH)				\$ 16,420	\$ 17,583	-6.6%
KY General Fund (0.35% of OTH)				\$ 57,470	\$ 61,540	-6.6%
<b>Total KY Excise Tax (1.5% of OTH)</b>				\$ 246,298	\$ 263,743	-6.6%
% of Gross Commission				8.15%	7.62%	
Backside Improvement Fund (0.5% of OTH)				\$ 82,099	\$ 87,914	-6.6%
<b>Net Commission</b>				\$ 2,692,050	\$ 3,109,261	-13.4%
% of On-Track Handle				16.40%	17.68%	
<b>Off-Track Handle on Kentucky Races From</b>						
Other KY Tracks				\$ 2,237,530	\$ 2,147,217	4.2%
Kentucky Licensed ADW's				\$ 8,950,097	\$ 7,119,341	25.7%
Other Sources				\$ 116,364,265	\$ 94,275,797	23.4%
<b>All Sources Handle on Live Racing (On- and Off-Track)</b>				\$ 143,971,762	\$ 121,125,226	18.9%
Average Daily Handle - On Track				\$ 965,875	\$ 1,034,287	-6.6%
Average Daily Handle - All Sources				\$ 8,468,927	\$ 7,125,013	18.9%

**Simulcast Wagering on Other Tracks**

Handle by Breed						
Thoroughbred Simulcast Handle (TBSH)	\$ 2,636,869	\$ 2,474,488	6.6%	\$ 19,791,590	\$ 20,141,653	-1.7%
Standardbred Simulcast Handle (SBSH)						
Quarter Horse/Other Simulcast Handle (QHSH)	\$ 4,790	\$ 5,772	-17.0%	\$ 66,043	\$ 89,949	-26.6%
<b>All-Breed Total Simulcast Handle (TSH)</b>	\$ 2,641,659	\$ 2,480,260	6.5%	\$ 19,857,633	\$ 20,231,602	-1.8%
TB Development Fund (2% of TBSH)	\$ 52,737	\$ 49,490	6.6%	\$ 395,832	\$ 402,833	-1.7%
SB Development Fund (2% of SBSH)						
QH/Other Development Fund (2% of QHSH)	\$ 96	\$ 115	-17.0%	\$ 1,321	\$ 1,799	-26.6%
Equine Industry Program (0.05% of TSH)	\$ 1,321	\$ 1,240	6.5%	\$ 9,929	\$ 10,116	-1.8%
Equine Drug Research (0.1% of TSH)	\$ 2,642	\$ 2,480	6.5%	\$ 19,858	\$ 20,232	-1.8%
Higher Education Fund (0.1% of TSH)	\$ 2,642	\$ 2,480	6.5%	\$ 19,858	\$ 20,232	-1.8%
KY General Fund (0.75% of TSH)	\$ 19,812	\$ 18,602	6.5%	\$ 148,932	\$ 151,737	-1.8%
<b>Total KY Excise Tax (3% of TSH)</b>	\$ 79,250	\$ 74,408	6.5%	\$ 595,729	\$ 606,948	-1.8%

# Kentucky Downs Live and Simulcast Wagering Report for January, 2019

## Live Racing

	January-19	January-18	% Change	FYTD - 2019	FYTD - 2018	% Change
Race Dates				5	5	
<b>On-Track Handle (OTH)</b>				\$ 1,118,276	\$ 1,028,952	8.7%
Less: Return to Public				\$ 918,080	\$ 843,648	
Less: Breakage				\$ 7,285	\$ 6,173	
<b>Gross Commission</b>				<u>\$ 192,912</u>	<u>\$ 179,131</u>	7.7%
TB Development Fund (0.75% of OTH)				\$ 8,387	\$ 7,717	8.7%
Equine Industry Program (0.2% of OTH)				\$ 2,237	\$ 2,058	8.7%
Equine Drug Research (0.1% of OTH)				\$ 1,118	\$ 1,029	8.7%
Higher Education Fund (0.1% of OTH)				\$ 1,118	\$ 1,029	8.7%
KY General Fund (0.35% of OTH)				\$ 3,914	\$ 3,601	8.7%
<b>Total KY Excise Tax (1.5% of OTH)</b>				<u>\$ 16,774</u>	<u>\$ 15,434</u>	8.7%
% of Gross Commission				8.70%	8.62%	
Backside Improvement Fund (0.5% of OTH)				\$ 5,591	\$ 5,145	8.7%
<b>Net Commission</b>				\$ 170,547	\$ 158,552	7.6%
% of On-Track Handle				15.25%	15.41%	
<b>Off-Track Handle on Kentucky Races From</b>						
Other KY Tracks				\$ 654,322	\$ 713,881	-8.3%
Kentucky Licensed ADW's				\$ 1,577,862	\$ 1,203,492	31.1%
Other Sources				\$ 32,977,415	\$ 27,187,871	21.3%
<b>All Sources Handle on Live Racing (On- and Off-Track)</b>				<u>\$ 36,327,875</u>	<u>\$ 30,134,196</u>	20.6%
Average Daily Handle - On Track				\$ 223,655	\$ 205,790	8.7%
Average Daily Handle - All Sources				\$ 7,265,575	\$ 6,026,839	20.6%

### Simulcast Wagering on Other Tracks

Handle by Breed						
Thoroughbred Simulcast Handle (TBSH)	\$ 907,748	\$ 827,536	9.7%	\$ 6,090,883	\$ 6,733,828	-9.5%
Standardbred Simulcast Handle (SBSH)	\$ 67,755	\$ 60,426	12.1%	\$ 451,932	\$ 509,855	-11.4%
Quarter Horse/Other Simulcast Handle (QHSH)	\$ 19,477	\$ 23,561	-17.3%	\$ 147,077	\$ 176,985	-16.9%
<b>All-Breed Total Simulcast Handle (TSH)</b>	<u>\$ 994,980</u>	<u>\$ 911,523</u>	9.2%	<u>\$ 6,689,891</u>	<u>\$ 7,420,668</u>	-9.8%
TB Development Fund (2% of TBSH)	\$ 18,155	\$ 16,551	9.7%	\$ 121,818	\$ 134,677	-9.5%
SB Development Fund (2% of SBSH)	\$ 1,355	\$ 1,209	12.1%	\$ 9,039	\$ 10,197	-11.4%
QH/Other Development Fund (2% of QHSH)	\$ 390	\$ 471	-17.3%	\$ 2,942	\$ 3,540	-16.9%
Equine Industry Program (0.05% of TSH)	\$ 497	\$ 456	9.2%	\$ 3,345	\$ 3,710	-9.8%
Equine Drug Research (0.1% of TSH)	\$ 995	\$ 912	9.2%	\$ 6,690	\$ 7,421	-9.8%
Higher Education Fund (0.1% of TSH)	\$ 995	\$ 912	9.2%	\$ 6,690	\$ 7,421	-9.8%
KY General Fund (0.75% of TSH)	\$ 7,462	\$ 6,836	9.2%	\$ 50,174	\$ 55,655	-9.8%
<b>Total KY Excise Tax (3% of TSH)</b>	<u>\$ 29,849</u>	<u>\$ 27,346</u>	9.2%	<u>\$ 200,697</u>	<u>\$ 222,620</u>	-9.8%

**The Red Mile Live and Simulcast Wagering Report for January, 2019**  
**Live Racing**

	January-19	January-18	% Change	FYTD - 2019	FYTD - 2018	% Change
Race Dates				35	32	9.4%
<b>On-Track Handle (OTH)</b>				\$ 1,388,990	\$ 1,353,611	2.6%
Less: Return to Public				\$ 1,065,834	\$ 1,040,616	
Less: Breakage				\$ 5,960	\$ 2,392	
<b>Gross Commission</b>				<u>\$ 317,197</u>	<u>\$ 310,602</u>	2.1%
SB Development Fund (1.25% of OTH)				\$ 17,362	\$ 16,920	2.6%
Equine Industry Program (0.2% of OTH)				\$ 2,778	\$ 2,707	2.6%
Equine Drug Research (0.1% of OTH)				\$ 1,389	\$ 1,354	2.6%
Higher Education Fund (0.1% of OTH)				\$ 1,389	\$ 1,354	2.6%
KY General Fund (0.1% of OTH)				\$ 1,389	\$ 1,354	2.6%
<b>Total KY Excise Tax (1.75% of OTH)</b>				<u>\$ 24,307</u>	<u>\$ 23,688</u>	2.6%
% of Gross Commission				7.66%	7.63%	
 <b>Net Commission</b>				 \$ 292,889	 \$ 286,914	 2.1%
% of On-Track Handle				21.09%	21.20%	
<b>Off-Track Handle on Kentucky Races From</b>						
Other KY Tracks				\$ 85,572	\$ 85,245	0.4%
Kentucky Licensed ADW's				\$ 184,092	\$ 190,652	-3.4%
Other Sources				\$ 6,807,399	\$ 7,973,609	-14.6%
<b>All Sources Handle on Live Racing (On- and Off-Track)</b>				<u>\$ 8,466,053</u>	<u>\$ 9,603,116</u>	-11.8%
Average Daily Handle - On Track				\$ 39,685	\$ 42,300	-6.2%
Average Daily Handle - All Sources				\$ 241,887	\$ 300,097	-19.4%
<b>Simulcast Wagering on Other Tracks (Note: Standardbred Facilities Only Taxed on Live Racing)</b>						
Handle by Breed						
Thoroughbred Simulcast Handle (TBSH)						
Standardbred Simulcast Handle (SBSH)	\$ 1,360,874	\$ 1,377,889	-1.2%	\$ 11,016,117	\$ 12,711,405	-13.3%
Quarter Horse/Other Simulcast Handle (QSHS)	\$ 7,648	\$ 12,207	-37.3%	\$ 84,964	\$ 178,514	-52.4%
<b>All-Breed Total Simulcast Handle (TSH)</b>	<u>\$ 1,368,522</u>	<u>\$ 1,390,096</u>	-1.6%	<u>\$ 11,101,080</u>	<u>\$ 12,889,919</u>	-13.9%


## Thunder Ridge Live and Simulcast Wagering Report for January, 2019

	January-19	January-18	% Change	FYTD - 2019	FYTD - 2018	% Change
Race Dates						
<b>On-Track Handle (OTH)</b>						
Less: Return to Public						
Less: Breakage						
<b>Gross Commission</b>						
SB Development Fund (1.25% of OTH)						
Equine Industry Program (0.2% of OTH)						
Equine Drug Research (0.1% of OTH)						
Higher Education Fund (0.1% of OTH)						
KY General Fund (0.1% of OTH)						
<b>Total KY Excise Tax (1.75% of OTH)</b>						
% of Gross Commission						
<b>Net Commission</b>						
% of On-Track Handle						
<b>Off-Track Handle on Kenutucky Races From</b>						
Other KY Tracks						
Kentucky Licensed ADW's						
Other Sources						
<b>All Sources Handle on Live Racing (On- and Off-Track)</b>						
Average Daily Handle - On Track						
Average Daily Handle - All Sources						

### **Simulcast Wagering on Other Tracks (Note: Standardbred Facilities Only Taxed on Live Racing)**

Handle by Breed					
Thoroughbred Simulcast Handle (TBSH)				\$ 319,638	-100.0%
Standardbred Simulcast Handle (SBSH)				\$ 78,485	-100.0%
Quarter Horse/Other Simulcast Handle (QHSH)				\$ 70	-100.0%
<b>All-Breed Total Simulcast Handle (TSH)</b>				<b>\$ 398,192</b>	<b>-100.0%</b>

# Turfway Park Live and Simulcast Wagering Report for January, 2019

## Live Racing

	January-19	January-18	% Change	FYTD - 2019	FYTD - 2018	% Change
Race Dates	11	9	22.2%	32	27	18.5%
<b>On-Track Handle (OTH)</b>	\$ 563,947	\$ 477,966	18.0%	\$ 1,618,816	\$ 1,436,355	12.7%
Less: Return to Public	\$ 448,772	\$ 380,784		\$ 1,288,979	\$ 1,144,555	
Less: Breakage	\$ 3,710	\$ 3,065		\$ 10,143	\$ 8,616	
<b>Gross Commission</b>	<u>\$ 111,465</u>	<u>\$ 94,116</u>	18.4%	<u>\$ 319,694</u>	<u>\$ 283,183</u>	12.9%
TB Development Fund (0.75% of OTH)	\$ 4,230	\$ 3,585	18.0%	\$ 12,141	\$ 10,773	12.7%
Equine Industry Program (0.2% of OTH)	\$ 1,128	\$ 956	18.0%	\$ 3,238	\$ 2,873	12.7%
Equine Drug Research (0.1% of OTH)	\$ 564	\$ 478	18.0%	\$ 1,619	\$ 1,436	12.7%
Higher Education Fund (0.1% of OTH)	\$ 564	\$ 478	18.0%	\$ 1,619	\$ 1,436	12.7%
KY General Fund (0.35% of OTH)	\$ 1,974	\$ 1,673	18.0%	\$ 5,666	\$ 5,027	12.7%
<b>Total KY Excise Tax (1.5% of OTH)</b>	<u>\$ 8,459</u>	<u>\$ 7,169</u>	18.0%	<u>\$ 24,282</u>	<u>\$ 21,545</u>	12.7%
% of Gross Commission	7.59%	7.62%		7.60%	7.61%	
Backside Improvement Fund (0.5% of OTH)	\$ 2,820	\$ 2,390	18.0%	\$ 8,094	\$ 7,182	12.7%
<b>Net Commission</b>	\$ 100,186	\$ 84,557	18.5%	\$ 287,318	\$ 254,456	12.9%
% of On-Track Handle	17.77%	17.69%		17.75%	17.72%	
<b>Off-Track Handle on Kentucky Races From</b>						
Other KY Tracks	\$ 326,175	\$ 249,463	30.8%	\$ 926,033	\$ 757,587	22.2%
Kentucky Licensed ADW's	\$ 577,264	\$ 413,841	39.5%	\$ 1,863,691	\$ 1,488,329	25.2%
Other Sources	\$ 13,124,571	\$ 10,637,762	23.4%	\$ 38,659,630	\$ 33,708,989	14.7%
<b>All Sources Handle on Live Racing (On- and Off-Track)</b>	<u>\$ 14,591,957</u>	<u>\$ 11,779,031</u>	23.9%	<u>\$ 43,068,169</u>	<u>\$ 37,391,259</u>	15.2%
Average Daily Handle - On Track	\$ 51,268	\$ 53,107	-3.5%	\$ 50,588	\$ 53,198	-4.9%
Average Daily Handle - All Sources	\$ 1,326,542	\$ 1,308,781	1.4%	\$ 1,345,880	\$ 1,384,861	-2.8%

## Simulcast Wagering on Other Tracks

Handle by Breed						
Thoroughbred Simulcast Handle (TBSH)	\$ 1,410,012	\$ 1,567,708	-10.1%	\$ 10,542,246	\$ 11,015,889	-4.3%
Standardbred Simulcast Handle (SBSH)	\$ 19,323	\$ 25,157	-23.2%	\$ 298,586	\$ 333,233	-10.4%
Quarter Horse/Other Simulcast Handle (QSHS)	\$ 11,478	\$ 20,081	-42.8%	\$ 55,986	\$ 111,498	-49.8%
<b>All-Breed Total Simulcast Handle (TSH)</b>	<u>\$ 1,440,814</u>	<u>\$ 1,612,946</u>	-10.7%	<u>\$ 10,896,818</u>	<u>\$ 11,460,620</u>	-4.9%
TB Development Fund (2% of TBSH)	\$ 28,200	\$ 31,354	-10.1%	\$ 210,845	\$ 220,318	-4.3%
SB Development Fund (2% of SBSH)	\$ 386	\$ 503	-23.2%	\$ 5,972	\$ 6,665	-10.4%
QH/Other Development Fund (2% of QSHS)	\$ 230	\$ 402	-42.8%	\$ 1,120	\$ 2,230	-49.8%
Equine Industry Program (0.05% of TSH)	\$ 720	\$ 806	-10.7%	\$ 5,448	\$ 5,730	-4.9%
Equine Drug Research (0.1% of TSH)	\$ 1,441	\$ 1,613	-10.7%	\$ 10,897	\$ 11,461	-4.9%
Higher Education Fund (0.1% of TSH)	\$ 1,441	\$ 1,613	-10.7%	\$ 10,897	\$ 11,461	-4.9%
KY General Fund (0.75% of TSH)	\$ 10,806	\$ 12,097	-10.7%	\$ 81,726	\$ 85,955	-4.9%
<b>Total KY Excise Tax (3% of TSH)</b>	<u>\$ 43,224</u>	<u>\$ 48,388</u>	-10.7%	<u>\$ 326,905</u>	<u>\$ 343,819</u>	-4.9%



## Kentucky Resident Advance Deposit Wagering Report for January, 2019

	Jan-19	Jan-18	% Change	FYTD-2019	FYTD-2018	% Change
Total In-State Handle	\$ 577,182	\$ 413,791	39.5%	\$ 24,624,700	\$ 19,728,714	24.8%
Total Out-of-State Handle	\$ 12,907,001	\$ 13,010,721	-0.8%	\$ 100,511,385	\$ 92,715,533	8.4%
<b>Total ADW Handle (TAH)</b>	<b>\$ 13,484,183</b>	<b>\$ 13,424,511</b>	<b>0.4%</b>	<b>\$ 125,136,084</b>	<b>\$ 112,444,248</b>	<b>11.3%</b>
Host Track (42.5% Allocation)	\$ 28,654	\$ 28,527	0.4%	\$ 265,914	\$ 238,944	11.3%
Purse (42.5% Allocation)	\$ 28,654	\$ 28,527	0.4%	\$ 265,914	\$ 238,944	11.3%
KY General Fund (15% Allocation)	\$ 10,113	\$ 10,068	0.4%	\$ 93,852	\$ 84,333	11.3%
<b>Total KY Excise Tax (0.5% of TAH)</b>	<b>\$ 67,421</b>	<b>\$ 67,123</b>	<b>0.4%</b>	<b>\$ 625,680</b>	<b>\$ 562,221</b>	<b>11.3%</b>



Source - Kentucky Department of Revenue Weekly Tax Filings

## Kentucky Resident Advance Deposit Wagering Report for January, 2019

<b>AmWest Entertainment</b>	% of Total	Jan-19	Jan-18	% Change	% of Total	FYTD-2019	FYTD-2018	% Change
Total In-State Handle	0.06%	\$ 344	\$ 756	-54.5%	0.14%	\$ 35,225	\$ 36,374	-3.2%
Total Out-of-State Handle	0.36%	\$ 46,649	\$ 54,048	-13.7%	0.24%	\$ 244,001	\$ 312,113	-21.8%
<b>Total Handle</b>	<b>0.35%</b>	<b>\$ 46,993</b>	<b>\$ 54,804</b>	<b>-14.3%</b>	<b>0.22%</b>	<b>\$ 279,227</b>	<b>\$ 348,487</b>	<b>-19.9%</b>
Host Track (42.5% Allocation)	0.35%	\$ 100	\$ 116	-14.3%	0.22%	\$ 593	\$ 741	-19.9%
Purse (42.5% Allocation)	0.35%	\$ 100	\$ 116	-14.3%	0.22%	\$ 593	\$ 741	-19.9%
KY General Fund (15% Allocation)	0.35%	\$ 35	\$ 41	-14.3%	0.22%	\$ 209	\$ 261	-19.9%
<b>Total KY Excise Tax (0.5% of TAH)</b>	<b>0.35%</b>	<b>\$ 235</b>	<b>\$ 274</b>	<b>-14.3%</b>	<b>0.22%</b>	<b>\$ 1,396</b>	<b>\$ 1,742</b>	<b>-19.9%</b>

<b>eBet</b>	% of Total	Jan-19	Jan-18	% Change	% of Total	FYTD-2019	FYTD-2018	% Change
Total In-State Handle	1.41%	\$ 8,134	\$ 1,310	520.9%	0.26%	\$ 63,617	\$ 24,505	159.6%
Total Out-of-State Handle	0.85%	\$ 109,986	\$ 58,954	86.6%	0.69%	\$ 693,084	\$ 552,644	25.4%
<b>Total Handle</b>	<b>0.88%</b>	<b>\$ 118,120</b>	<b>\$ 60,264</b>	<b>96.0%</b>	<b>0.60%</b>	<b>\$ 756,701</b>	<b>\$ 577,149</b>	<b>31.1%</b>
Host Track (42.5% Allocation)	0.88%	\$ 251	\$ 128	96.0%	0.60%	\$ 1,608	\$ 1,226	31.1%
Purse (42.5% Allocation)	0.88%	\$ 251	\$ 128	96.0%	0.60%	\$ 1,608	\$ 1,226	31.1%
KY General Fund (15% Allocation)	0.88%	\$ 89	\$ 45	96.0%	0.60%	\$ 568	\$ 433	31.1%
<b>Total KY Excise Tax (0.5% of TAH)</b>	<b>0.88%</b>	<b>\$ 591</b>	<b>\$ 301</b>	<b>96.0%</b>	<b>0.60%</b>	<b>\$ 3,784</b>	<b>\$ 2,886</b>	<b>31.1%</b>

<b>Horse Races Now</b>	% of Total	Jan-19	Jan-18	% Change	% of Total	FYTD-2019	FYTD-2018	% Change
Total In-State Handle	0.00%		\$ 20	-100.0%	0.00%	\$ 1,127	\$ 515	118.9%
Total Out-of-State Handle	0.00%		\$ 530	-100.0%	0.00%	\$ 3,699	\$ 724	411.3%
<b>Total Handle</b>	<b>0.00%</b>		<b>\$ 550</b>	<b>-100.0%</b>	<b>0.00%</b>	<b>\$ 4,826</b>	<b>\$ 1,239</b>	<b>289.7%</b>
Host Track (42.5% Allocation)	0.00%		\$ 1	-100.0%	0.00%	\$ 10	\$ 3	289.7%
Purse (42.5% Allocation)	0.00%		\$ 1	-100.0%	0.00%	\$ 10	\$ 3	289.7%
KY General Fund (15% Allocation)	0.00%		\$ 0	-100.0%	0.00%	\$ 4	\$ 1	289.7%
<b>Total KY Excise Tax (0.5% of TAH)</b>	<b>0.00%</b>		<b>\$ 3</b>	<b>-100.0%</b>	<b>0.00%</b>	<b>\$ 24</b>	<b>\$ 6</b>	<b>289.7%</b>

## Kentucky Resident Advance Deposit Wagering Report for January, 2019 (Cont)

<b>Lien Games</b>	% of Total	Jan-19	Jan-18	% Change	% of Total	FYTD-2019	FYTD-2018	% Change
Total In-State Handle	0.04%	\$ 253	\$ 132	91.4%	0.02%	\$ 4,638	\$ 6,117	-24.2%
Total Out-of-State Handle	0.07%	\$ 8,437	\$ 12,702	-33.6%	0.08%	\$ 81,158	\$ 133,356	-39.1%
<b>Total Handle</b>	<b>0.06%</b>	<b>\$ 8,690</b>	<b>\$ 12,834</b>	<b>-32.3%</b>	<b>0.07%</b>	<b>\$ 85,796</b>	<b>\$ 139,473</b>	<b>-38.5%</b>
Host Track (42.5% Allocation)	0.06%	\$ 18	\$ 27	-32.3%	0.07%	\$ 182	\$ 296	-38.5%
Purse (42.5% Allocation)	0.06%	\$ 18	\$ 27	-32.3%	0.07%	\$ 182	\$ 296	-38.5%
KY General Fund (15% Allocation)	0.06%	\$ 7	\$ 10	-32.3%	0.07%	\$ 64	\$ 105	-38.5%
<b>Total KY Excise Tax (0.5% of TAH)</b>	<b>0.06%</b>	<b>\$ 43</b>	<b>\$ 64</b>	<b>-32.3%</b>	<b>0.07%</b>	<b>\$ 429</b>	<b>\$ 697</b>	<b>-38.5%</b>

<b>NYRabets</b>	% of Total	Jan-19	Jan-18	% Change	% of Total	FYTD-2019	FYTD-2018	% Change
Total In-State Handle	1.37%	\$ 7,930	\$ 2,972	166.8%	1.08%	\$ 265,690	\$ 161,318	64.7%
Total Out-of-State Handle	1.54%	\$ 199,031	\$ 108,262	83.8%	2.04%	\$ 2,048,224	\$ 1,031,059	98.7%
<b>Total Handle</b>	<b>1.53%</b>	<b>\$ 206,961</b>	<b>\$ 111,234</b>	<b>86.1%</b>	<b>1.85%</b>	<b>\$ 2,313,914</b>	<b>\$ 1,192,377</b>	<b>94.1%</b>
Host Track (42.5% Allocation)	1.53%	\$ 440	\$ 236	86.1%	1.85%	\$ 4,917	\$ 2,534	94.1%
Purse (42.5% Allocation)	1.53%	\$ 440	\$ 236	86.1%	1.85%	\$ 4,917	\$ 2,534	94.1%
KY General Fund (15% Allocation)	1.53%	\$ 155	\$ 83	86.1%	1.85%	\$ 1,735	\$ 894	94.1%
<b>Total KY Excise Tax (0.5% of TAH)</b>	<b>1.53%</b>	<b>\$ 1,035</b>	<b>\$ 556</b>	<b>86.1%</b>	<b>1.85%</b>	<b>\$ 11,570</b>	<b>\$ 5,962</b>	<b>94.1%</b>

<b>TVG</b>	% of Total	Jan-19	Jan-18	% Change	% of Total	FYTD-2019	FYTD-2018	% Change
Total In-State Handle	35.20%	\$ 203,149	\$ 142,370	42.7%	25.69%	\$ 6,324,926	\$ 4,977,902	27.1%
Total Out-of-State Handle	31.59%	\$ 4,076,811	\$ 4,276,119	-4.7%	32.50%	\$ 32,670,363	\$ 31,669,070	3.2%
<b>Total Handle</b>	<b>31.74%</b>	<b>\$ 4,279,960</b>	<b>\$ 4,418,490</b>	<b>-3.1%</b>	<b>31.16%</b>	<b>\$ 38,995,289</b>	<b>\$ 36,646,972</b>	<b>6.4%</b>
Host Track (42.5% Allocation)	31.74%	\$ 9,095	\$ 9,389	-3.1%	31.16%	\$ 82,865	\$ 77,875	6.4%
Purse (42.5% Allocation)	31.74%	\$ 9,095	\$ 9,389	-3.1%	31.16%	\$ 82,865	\$ 77,875	6.4%
KY General Fund (15% Allocation)	31.74%	\$ 3,210	\$ 3,314	-3.1%	31.16%	\$ 29,246	\$ 27,485	6.4%
<b>Total KY Excise Tax (0.5% of TAH)</b>	<b>31.74%</b>	<b>\$ 21,400</b>	<b>\$ 22,092</b>	<b>-3.1%</b>	<b>31.16%</b>	<b>\$ 194,976</b>	<b>\$ 183,235</b>	<b>6.4%</b>

## Kentucky Resident Advance Deposit Wagering Report for January, 2019 (Cont)

<b>TwinSpires</b>	% of Total	Jan-19	Jan-18	% Change	% of Total	FYTD-2019	FYTD-2018	% Change
Total In-State Handle	54.96%	\$ 317,202	\$ 214,408	47.9%	56.79%	\$ 13,983,284	\$ 11,932,562	17.2%
Total Out-of-State Handle	51.59%	\$ 6,658,794	\$ 6,739,173	-1.2%	51.09%	\$ 51,352,458	\$ 48,520,525	5.8%
<b>Total Handle</b>	<b>51.73%</b>	<b>\$ 6,975,996</b>	<b>\$ 6,953,581</b>	<b>0.3%</b>	<b>52.21%</b>	<b>\$ 65,335,742</b>	<b>\$ 60,453,088</b>	<b>8.1%</b>
Host Track (42.5% Allocation)	51.73%	\$ 14,824	\$ 14,776	0.3%	52.21%	\$ 138,838	\$ 128,463	8.1%
Purse (42.5% Allocation)	51.73%	\$ 14,824	\$ 14,776	0.3%	52.21%	\$ 138,838	\$ 128,463	8.1%
KY General Fund (15% Allocation)	51.73%	\$ 5,232	\$ 5,215	0.3%	52.21%	\$ 49,002	\$ 45,340	8.1%
<b>Total KY Excise Tax (0.5% of TAH)</b>	<b>51.73%</b>	<b>\$ 34,880</b>	<b>\$ 34,768</b>	<b>0.3%</b>	<b>52.21%</b>	<b>\$ 326,679</b>	<b>\$ 302,265</b>	<b>8.1%</b>

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<b>Watch and Wager</b>	% of Total	Jan-19	Jan-18	% Change	% of Total	FYTD-2019	FYTD-2018	% Change
Total In-State Handle	0.03%	\$ 154	\$ 54	187.3%	0.11%	\$ 26,381	\$ 5,532	376.8%
Total Out-of-State Handle	0.03%	\$ 3,355	\$ 3,447	-2.7%	0.08%	\$ 84,830	\$ 64,662	31.2%
<b>Total Handle</b>	<b>0.03%</b>	<b>\$ 3,509</b>	<b>\$ 3,501</b>	<b>0.2%</b>	<b>0.09%</b>	<b>\$ 111,211</b>	<b>\$ 70,194</b>	<b>58.4%</b>
Host Track (42.5% Allocation)	0.03%	\$ 7	\$ 7	0.2%	0.09%	\$ 236	\$ 149	58.4%
Purse (42.5% Allocation)	0.03%	\$ 7	\$ 7	0.2%	0.09%	\$ 236	\$ 149	58.4%
KY General Fund (15% Allocation)	0.03%	\$ 3	\$ 3	0.2%	0.09%	\$ 83	\$ 53	58.4%
<b>Total KY Excise Tax (0.5% of TAH)</b>	<b>0.03%</b>	<b>\$ 18</b>	<b>\$ 18</b>	<b>0.2%</b>	<b>0.09%</b>	<b>\$ 556</b>	<b>\$ 351</b>	<b>58.4%</b>

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<b>Xpressbet</b>	% of Total	Jan-19	Jan-18	% Change	% of Total	FYTD-2019	FYTD-2018	% Change
Total In-State Handle	6.93%	\$ 40,017	\$ 51,769	-22.7%	15.92%	\$ 3,919,812	\$ 2,583,890	51.7%
Total Out-of-State Handle	13.98%	\$ 1,803,937	\$ 1,757,486	2.6%	13.27%	\$ 13,333,568	\$ 10,431,380	27.8%
<b>Total Handle</b>	<b>13.67%</b>	<b>\$ 1,843,954</b>	<b>\$ 1,809,255</b>	<b>1.9%</b>	<b>13.79%</b>	<b>\$ 17,253,380</b>	<b>\$ 13,015,270</b>	<b>32.6%</b>
Host Track (42.5% Allocation)	13.67%	\$ 3,918	\$ 3,845	1.9%	13.79%	\$ 36,663	\$ 27,657	32.6%
Purse (42.5% Allocation)	13.67%	\$ 3,918	\$ 3,845	1.9%	13.79%	\$ 36,663	\$ 27,657	32.6%
KY General Fund (15% Allocation)	13.67%	\$ 1,383	\$ 1,357	1.9%	13.79%	\$ 12,940	\$ 9,761	32.6%
<b>Total KY Excise Tax (0.5% of TAH)</b>	<b>13.67%</b>	<b>\$ 9,220</b>	<b>\$ 9,046</b>	<b>1.9%</b>	<b>13.79%</b>	<b>\$ 86,267</b>	<b>\$ 65,076</b>	<b>32.6%</b>

# Kentucky Historical Horse Racing Report for January, 2019

	January-19	January-18	% Change	FYTD-2019	FYTD-2018	% Change
<b>Total Handle</b>	\$ 169,506,445	\$ 77,773,828	117.9%	\$ 959,665,608	\$ 584,938,522	64.1%
Less: Returned to Public	\$ 154,931,421	\$ 71,649,038	116.2%	\$ 878,457,169	\$ 538,832,564	63.0%
Less: Breakage	\$ 112,919	\$ 51,834		\$ 599,318	\$ 408,386	
Less: Settlement	\$ 221,585	\$ 7,086		\$ 1,385,358	\$ 202,141	
<b>Gross Commission</b>	<b>\$ 14,240,521</b>	<b>\$ 6,065,870</b>	<b>134.8%</b>	<b>\$ 79,223,763</b>	<b>\$ 45,495,430</b>	<b>74.1%</b>
TB Development Fund (See Note 1)	\$ 1,175,380	\$ 505,726	132.4%	\$ 6,553,507	\$ 3,784,800	73.2%
SB Development Fund (See Note 2)	\$ 127,891	\$ 103,436	23.6%	\$ 858,647	\$ 802,986	6.9%
Equine Industry Program (See Note 3)	\$ -	\$ -	-	\$ 650,000	\$ 650,000	0.0%
Equine Drug Research (See Note 4)	\$ -	\$ -	-	\$ 320,000	\$ 320,000	0.0%
Higher Education Fund (See Note 4)	\$ -	\$ -	-	\$ 320,000	\$ 320,000	0.0%
Kentucky General Fund (Note 5)	\$ 1,239,326	\$ 557,445	122.3%	\$ 5,692,830	\$ 2,896,292	96.6%
<b>Total KY Excise Tax (1.5% of Total Handle)</b>	<b>\$ 2,542,597</b>	<b>\$ 1,166,607</b>	<b>117.9%</b>	<b>\$ 14,394,984</b>	<b>\$ 8,774,078</b>	<b>64.1%</b>
% of Gross Commission	17.9%	19.2%		18.2%	19.3%	
<b>Net Commission + Breakage</b>	<b>\$ 11,810,843</b>	<b>\$ 4,951,096</b>	<b>138.6%</b>	<b>\$ 65,428,098</b>	<b>\$ 37,129,739</b>	<b>76.2%</b>
% of Total Handle	6.97%	6.37%		6.82%	6.35%	
Number of HHR Terminals	2,734	1,830	49.4%	2,734	1,830	49.4%
Average Daily Handle	\$ 5,467,950	\$ 2,508,833	117.9%	\$ 4,896,253	\$ 2,729,107	79.4%
Handle / Day / Machine	\$ 2,000	\$ 1,371	45.9%	\$ 1,791	\$ 998	79.4%
Gross Commission / Day / Machine	\$ 168	\$ 107	57.1%	\$ 148	\$ 116	27.5%

	January-19	Dec-18	% Change	Since Inception
Total Handle	\$ 169,506,445	\$ 167,290,307	1.3%	Total Handle \$4,710,642,167
Total Kentucky Excise Tax	\$ 2,542,597	\$ 2,509,355	1.3%	Total Kentucky Excise Tax \$70,659,633
Average Daily Handle	\$ 5,467,950	\$ 5,530,258	-1.1%	Total KY General Fund \$24,870,908

Note 1: Thoroughbred Development Fund receives .75% of Total Handle at Kentucky Downs and Ellis Park. The rate applies to half of the Total Handle at KRM.

Note 2: The Standardbred Development Fund receives 1.0% of half of the Total Handle at KRM.

Note 3: EIP receives .2% of TH with a fiscal year cap of \$650,000.

Note 4: EDR and HEF each receive .1% of TH with a fiscal year cap of \$320,000.

Note 5: Kentucky General Fund receives 1.5% of TH less Notes 1, 2, 3 and 4.

# Derby City Gaming Historical Horse Racing Report for January, 2019

	January-19	January-18	% Change	FYTD-2019	FYTD-2018	% Change
<b>Total Handle</b>	\$ 59,479,465	-	-	\$ 238,906,947	-	-
Less: Returned to Public	\$ 53,797,674	-	-	\$ 215,362,141	-	-
Less: Breakage	\$ 0	-	-	\$ 0	-	-
Less: Settlement	\$ 8,857	-	-	\$ 526,205	-	-
<b>Gross Commission</b>	<u>\$ 5,672,934</u>	-	-	<u>\$ 23,018,602</u>	-	-
TB Development Fund (See Note 1)	\$ 446,096	-	-	\$ 1,791,802	-	-
SB Development Fund (See Note 2)	-	-	-	\$ -	-	-
Equine Industry Program (See Note 3)	-	-	-	\$ 52,856	-	-
Equine Drug Research (See Note 4)	-	-	-	\$ 26,021	-	-
Higher Education Fund (See Note 4)	-	-	-	\$ 26,022	-	-
Kentucky General Fund (Note 5)	\$ 446,096	-	-	\$ 1,686,903	-	-
<b>Total KY Excise Tax (1.5% of Total Handle)</b>	<u>\$ 892,192</u>	-	-	<u>\$ 3,583,604</u>	-	-
% of Gross Commission	15.7%	-	-	15.6%	-	-
<b>Net Commission + Breakage</b>	\$ 4,780,742	-	-	\$ 19,434,998	-	-
% of Total Handle	8.04%	-	-	8.13%	-	-
Number of HHR Terminals	900	-	-	900	-	-
Average Daily Handle	\$ 1,918,692	-	-	\$ 1,670,678	-	-
Handle / Day / Machine	\$ 2,132	-	-	\$ 1,856	-	-
Gross Commission / Day / Machine	\$ 203	-	-	\$ 179	-	-

	January-19	Dec-18	% Change	Since Inception (September 10, 2018)	
Total Handle	\$ 59,479,465	\$ 57,891,732	2.7%	Total Handle	\$238,906,947
Total Kentucky Excise Tax	\$ 892,192	\$ 868,376	2.7%	Total Kentucky Excise Tax	\$3,583,604
Average Daily Handle	\$ 1,918,692	\$ 1,867,475	2.7%	Total KY General Fund	\$1,686,903

Note 1: Thoroughbred Development Fund receives .75% of Total Handle at Kentucky Downs and Ellis Park. The rate applies to half of the Total Handle at KRM.

Note 2: The Standardbred Development Fund receives 1.0% of half of the Total Handle at KRM.

Note 3: EIP receives .2% of TH with a fiscal year cap of \$650,000.

Note 4: EDR and HEF each receive .1% of TH with a fiscal year cap of \$320,000.

Note 5: Kentucky General Fund receives 1.5% of TH less Notes 1, 2, 3 and 4.



# Ellis Park Historical Horse Racing Report for January, 2019

	January-19	January-18	% Change	FYTD-2019	FYTD-2018	% Change
<b>Total Handle</b>	\$ 7,649,023	\$ 6,268,447	22.0%	\$ 52,608,268	\$ 45,980,732	14.4%
Less: Returned to Public	\$ 7,024,971	\$ 5,796,625	21.2%	\$ 48,446,213	\$ 42,194,251	14.8%
Less: Breakage	\$ 971	\$ 422		\$ 4,943	\$ 4,771	
Less: Settlement	\$ (332)	\$ (27,637)		\$ (49,662)	\$ 117,142	
<b>Gross Commission</b>	<u>\$ 623,413</u>	<u>\$ 499,037</u>	24.9%	<u>\$ 4,206,774</u>	<u>\$ 3,664,567</u>	14.8%
TB Development Fund (See Note 1)	\$ 57,368	\$ 47,013	22.0%	\$ 394,562	\$ 344,855	14.4%
SB Development Fund (See Note 2)	-	\$ -	-	\$ -	\$ -	-
Equine Industry Program (See Note 3)	-	\$ -	-	\$ 45,123	\$ 50,896	-11.3%
Equine Drug Research (See Note 4)	-	\$ -	-	\$ 22,214	\$ 25,028	-11.2%
Higher Education Fund (See Note 4)	-	\$ -	-	\$ 22,214	\$ 25,028	-11.2%
Kentucky General Fund (Note 5)	\$ 57,368	\$ 47,013	22.0%	\$ 305,010	\$ 243,905	25.1%
<b>Total KY Excise Tax (1.5% of Total Handle)</b>	<u>\$ 114,735</u>	<u>\$ 94,027</u>	22.0%	<u>\$ 789,124</u>	<u>\$ 689,711</u>	14.4%
% of Gross Commission	18.4%	18.8%		18.8%	18.8%	
<b>Net Commission + Breakage</b>	\$ 509,649	\$ 405,432	25.7%	\$ 3,422,594	\$ 2,979,627	14.9%
% of Total Handle	6.66%	6.47%		6.51%	6.48%	
Number of HHR Terminals	179	179	0.0%	179	179	0.0%
Average Daily Handle	\$ 246,743	\$ 202,208	22.0%	\$ 246,987	\$ 213,864	15.5%
Handle / Day / Machine	\$ 1,378	\$ 1,130	22.0%	\$ 1,380	\$ 1,195	15.5%
Gross Commission / Day / Machine	\$ 112	\$ 90	24.9%	\$ 110	\$ 95	15.9%
	January-19	Dec-18	% Change	Since Inception (August 31, 2012)		
Total Handle	\$ 7,649,023	\$ 8,020,066	-4.6%	Total Handle	\$384,132,941	
Total Kentucky Excise Tax	\$ 114,735	\$ 120,301	-4.6%	Total Kentucky Excise Tax	\$5,761,994	
Average Daily Handle	\$ 246,743	\$ 267,336	-7.7%	Total KY General Fund	\$2,017,862	

Note 1: Thoroughbred Development Fund receives .75% of Total Handle at Kentucky Downs and Ellis Park. The rate applies to half of the Total Handle at KRM.

Note 2: The Standardbred Development Fund receives 1.0% of half of the Total Handle at KRM.

Note 3: EIP receives .2% of TH with a fiscal year cap of \$650,000.

Note 4: EDR and HEF each receive .1% of TH with a fiscal year cap of \$320,000.

Note 5: Kentucky General Fund receives 1.5% of TH less Notes 1, 2, 3 and 4.

# Keeneland/Red Mile Historical Horse Racing Report for January, 2019

	January-19	January-18	% Change	FYTD-2019	FYTD-2018	% Change
<b>Total Handle</b>	\$ 25,578,175	\$ 20,687,259	23.6%	\$ 171,729,308	\$ 160,597,161	6.9%
Less: Returned to Public	\$ 23,346,611	\$ 19,233,606	21.4%	\$ 157,326,616	\$ 148,564,467	5.9%
Less: Breakage	\$ 91,144	\$ 43,547		\$ 512,212	\$ 328,647	
Less: Settlement	\$ 254,961	\$ (95,626)		\$ 1,142,301	\$ (86,051)	
<b>Gross Commission</b>	<u>\$ 1,885,460</u>	<u>\$ 1,505,732</u>	25.2%	<u>\$ 12,748,180</u>	<u>\$ 11,790,097</u>	8.1%
TB Development Fund (See Note 1)	\$ 95,918	\$ 77,577	23.6%	\$ 643,985	\$ 602,239	6.9%
SB Development Fund (See Note 2)	\$ 127,891	\$ 103,436	23.6%	\$ 858,647	\$ 802,986	6.9%
Equine Industry Program (See Note 3)	-	\$ -	-	\$ 136,605	\$ 176,327	-22.5%
Equine Drug Research (See Note 4)	-	\$ -	-	\$ 67,251	\$ 86,698	-22.4%
Higher Education Fund (See Note 4)	-	\$ -	-	\$ 67,251	\$ 86,698	-22.4%
Kentucky General Fund (Note 5)	\$ 159,864	\$ 129,295	23.6%	\$ 802,201	\$ 654,010	22.7%
<b>Total KY Excise Tax (1.5% of Total Handle)</b>	<u>\$ 383,673</u>	<u>\$ 310,309</u>	23.6%	<u>\$ 2,575,940</u>	<u>\$ 2,408,957</u>	6.9%
% of Gross Commission	20.3%	20.6%		20.2%	20.4%	
<b>Net Commission + Breakage</b>	\$ 1,592,931	\$ 1,238,970	28.6%	\$ 10,684,453	\$ 9,709,787	10.0%
% of Total Handle	6.23%	5.99%		6.22%	6.05%	
Number of HHR Terminals	902	902	0.0%	902	902	0.0%
Average Daily Handle	\$ 825,102	\$ 667,331	23.6%	\$ 802,473	\$ 750,454	6.9%
Handle / Day / Machine	\$ 915	\$ 740	23.6%	\$ 890	\$ 832	6.9%
Gross Commission / Day / Machine	\$ 67	\$ 54	25.2%	\$ 66	\$ 61	8.1%

	January-19	Dec-18	% Change	Since Inception (September 8, 2015)	
Total Handle	\$ 25,578,175	\$ 27,251,755	-6.1%	Total Handle	\$889,096,297
Total Kentucky Excise Tax	\$ 383,673	\$ 408,776	-6.1%	Total Kentucky Excise Tax	\$13,336,444
Average Daily Handle	\$ 825,102	\$ 908,392	-9.2%	Total KY General Fund	\$4,317,020

Note 1: Thoroughbred Development Fund receives .75% of Total Handle at Kentucky Downs and Ellis Park. The rate applies to half of the Total Handle at KRM.

Note 2: The Standardbred Development Fund receives 1.0% of half of the Total Handle at KRM.

Note 3: EIP receives .2% of TH with a fiscal year cap of \$650,000.

Note 4: EDR and HEF each receive .1% of TH with a fiscal year cap of \$320,000.

Note 5: Kentucky General Fund receives 1.5% of TH less Notes 1, 2, 3 and 4.

# Kentucky Downs Historical Horse Racing Report for January, 2019

	January-19	January-18	% Change	FYTD-2019	FYTD-2018	% Change
<b>Total Handle</b>	\$ 76,799,783	\$ 50,818,122	51.1%	\$ 496,421,084	\$ 378,360,629	31.2%
Less: Returned to Public	\$ 70,762,166	\$ 46,618,807	51.8%	\$ 457,322,200	\$ 348,073,846	31.4%
Less: Breakage	\$ 20,804	\$ 7,864		\$ 82,162	\$ 74,968	
Less: Settlement	\$ (41,901)	\$ 130,349		\$ (233,485)	\$ 171,050	
<b>Gross Commission</b>	<u>\$ 6,058,714</u>	<u>\$ 4,061,102</u>	49.2%	<u>\$ 39,250,207</u>	<u>\$ 30,040,766</u>	30.7%
TB Development Fund (See Note 1)	\$ 575,998	\$ 381,136	51.1%	\$ 3,723,158	\$ 2,837,705	31.2%
SB Development Fund (See Note 2)	-	\$ -	-	\$ -	\$ -	-
Equine Industry Program (See Note 3)	-	\$ -	-	\$ 415,416	\$ 422,778	-1.7%
Equine Drug Research (See Note 4)	-	\$ -	-	\$ 204,513	\$ 208,275	-1.8%
Higher Education Fund (See Note 4)	-	\$ -	-	\$ 204,513	\$ 208,275	-1.8%
Kentucky General Fund (Note 5)	\$ 575,998	\$ 381,136	51.1%	\$ 2,898,716	\$ 1,998,378	45.1%
<b>Total KY Excise Tax (1.5% of Total Handle)</b>	<u>\$ 1,151,997</u>	<u>\$ 762,272</u>	51.1%	<u>\$ 7,446,316</u>	<u>\$ 5,675,409</u>	31.2%
% of Gross Commission	19.0%	18.8%		19.0%	18.9%	
<b>Net Commission + Breakage</b>	\$ 4,927,521	\$ 3,306,694	49.0%	\$ 31,886,054	\$ 24,440,325	30.5%
% of Total Handle	6.42%	6.51%		6.42%	6.46%	
Number of HHR Terminals	753	749	0.5%	753	749	0.5%
Average Daily Handle	\$ 2,477,412	\$ 1,639,294	51.1%	\$ 2,319,725	\$ 1,768,040	31.2%
Handle / Day / Machine	\$ 3,290	\$ 2,189	50.3%	\$ 3,081	\$ 2,361	30.5%
Gross Commission / Day / Machine	\$ 260	\$ 175	48.4%	\$ 244	\$ 187	30.0%

	January-19	Dec-18	% Change	Since Inception (September 1, 2011)	
Total Handle	\$ 76,799,783	\$ 74,126,754	3.6%	Total Handle	\$3,198,505,982
Total Kentucky Excise Tax	\$ 1,151,997	\$ 1,111,901	3.6%	Total Kentucky Excise Tax	\$47,977,590
Average Daily Handle	\$ 2,477,412	\$ 2,470,892	0.3%	Total KY General Fund	\$16,849,123

Note 1: Thoroughbred Development Fund receives .75% of Total Handle at Kentucky Downs and Ellis Park. The rate applies to half of the Total Handle at KRM.

Note 2: The Standardbred Development Fund receives 1.0% of half of the Total Handle at KRM.

Note 3: EIP receives .2% of TH with a fiscal year cap of \$650,000.

Note 4: EDR and HEF each receive .1% of TH with a fiscal year cap of \$320,000.

Note 5: Kentucky General Fund receives 1.5% of TH less Notes 1, 2, 3 and 4.